Can. P

SESSIONAL PAPERS

VOLUME 24

THIRD SESSION OF THE ELEVENTH PARLIAMENT

OF THE

DOMINION OF CANADA

SESSION 1911

26374
8 2 13

VOLUME XLV.

See also Numerical List, Page 7.

ALPHABETICAL INDEX

TO THE

SESSIONAL PAPERS

OF THE

PARLIAMENT OF CANADA

THIRD SESSION, ELEVENTH PARLIAMENT, 1911.

A

Accidents on I.C.R.. .. ..83, 83*a*
Acton Vale, Post Office at.. 86
Accidents on railways.. 145
Admiralty Court in Nova Scotia.. 107
Adulteration of Food.. 14
Advalorem Duty.. 75
Agriculture, Annual Report.. 15
Agriculture and other products.. 173
Alaskan Boundary Commission, Report of.. 139
Alberta and Saskatchewan, control of lands, &c... .. ..106, 106*a*
Alberta and Saskatchewan, sale of lands in.. 133
Alberta and Saskatchewan Fisheries Commission.. 211
Aliens in the service of the Government 198
Annuities, Government.. 47
Astronomer, Chief, Report of.. .. .. .. 25*a*
Atlantic, Quebec and Western Railway.. .. ..89, 128, 128*b*
Athol Post Office, mail route.. 105
Atlantic Fisheries, Hague Award.. .. .. 97*b*
Atlantic Service, Fast.. 200
Auditor General, Annual Report.. 1
Australian Commonwealth, Reciprocal Trade with.. 109

B

Baby Farm, correspondence relative to.. 126
Banks Chartered.. 6
Bankers' Association, Rules, &c., of.. 153
Banks, Unpaid Balances in.. 7
Barnhill, Major J. L.. 185
Barracks Site at Toronto.. 126
Battlefields Commission:—
Memorandum respecting Finances.. . 58
Report from.. .. . . 58*a*
Report made to Government.. .. .. . 58*b*
Appointment of Members of.. .. .. 58*c*
Medals struck by.. .. .. 58*d*
Beauharnois Canal, Lighting of.. .. .. 98*a*
Beauharnois Canal, Sums paid by Concessionaries.. .. ..98*b*, 98*c*
Bear River, N.S., Rifle Range at.. 183
Bituminous Coal, imported.. 205
Boot Last Blocks.. 66
Bonds and Securities 49
British Canadian Loan and Investment Company 164
Bryce, Dr. P. H., Report of.. .. .. .. 25*c*
Burk's Falls, Wharf at.. 111
Butter and Eggs, Imported, and Prices of.. .. .. 179, 179*a*, 179*b*
By-Elections.. 18

C

Cab Hire and Street Ry. Fares in Ottawa.. 175
Canada and West Indies, Trade Relations.. 38
Canadian Atlantic Fishermen 84
Canadian Bankers' Association, Rules, &c. 153
Canadian Light, Heat & Power Co... .. 98*a*
Canadian Pacific Railway:—
Orders in Council, &c., &c. 55
Lands sold by.. .. .. 55*a*
Bridge at Lachine 80
Canadian Trade 10*c*
Canadians Accepted in Navy.. .. .. .. 56*a*
Canal Statistics 20*a*
Carrier & Lainé, Lévis, Expropriation of Property of .. .. p.p. 87, 87*a*, 87*b*, 87*c*, 87*d*
Census, Methods of taking 189, 189*b*, 189*c*
Census Schedules 189*a*
Charing Cross Bank 189
Chartered Banks 6
Chrysler, F. H., K.C., monies paid to.. 118
Chinese Frauds on Pacific Coast.. 207
Civil Service:—
Appointments and Promotions, Commissioners' Annual Report 31
List 30
Insurance Act 43
Employees at Ottawa 135
Clayoquot Life Saving Station 68
Comparative Prices, Canada and United States 36*b*
Coal Imported 205
Conciliation Board 202
Conference at Washington, *re* Fisheries 97, 98*a*
"Coquette", Trawler 85
Conservation Commission, &c. 52
Contract for Bridges 77
Creighton, W. O., Farmers' Delegate .. 76*g*
Criminal Statistics.. 7
Cumberland Coal and Railway Co. 72
Curator's Reports on Banks 152, 152*a*
Curran, R. E., Railway Mail Clerk.. .. 160
Customs Department, Annual Report.. 11
Customs Entries at Vancouver 102
Custom House Employees, Montreal.. .. 69
Customs Tariff Act 70, 75, 102*a*

D

Dairy and Cold Storage Commissioner.. 15*a*
'Daily Telegraph,' Quebec, monies paid to.. 147
Davis, M. P., Contractor.. .. .. 137*a*
Debates, Publication and Distribution of... .. ..115, 115*a*
De Courcey, Mr., amounts paid to.. ..74*j*, 74*e*
Deep Brook, N.S., Wharf at.. 193

D

Departments, obliged to Report to Parliament.. 127
Destructive Insects.. 51
Dickie Martin, Appointment of.. 185
Dividends unpaid in Banks.. 7
Divorces granted by Parliament, &c...116, 168
Dominion Lands, Survey.. .. .. ..60, 60*a*, 60*b*
Dominion Police.. 81
Dominion Lands.. .. ..96, 96*a*, 96*b*
Dominion Navies, Status of.. .. .. .. 208*a*
Drill Halls, or Armouries, contributions to.. 129
Drolet, Jean, amounts paid to.. .. .. .. 74*h*
Dussault & Lemieux, amounts paid to.. 93*d*
Dutch Loan Company.. 95

E

Eclipse Manufacturing Co., monies paid to.. 180
Elections, House of Commons.. 18
Electric installation at Quebec.. 117
Electric Light, inspection of.. 13
Elbow River, Water Power on.. .. ..123, 123*a*
Employees, Sessional, House of Commons.. .. .. 103*a*
Employees of Government at Montreal 69*a*
Employees of Government in Municipal Affairs.. .. ..195, 195*a*
Erie, Lake, and Great Lakes System.. 54
Estimates.. .. ..3 to 4, 5, 5*a*, 5*b*, 5*c*
'Essex Record,' monies paid to.. .. .. 74*m*
Excise Revenue.. 12
Exchequer Court Rules.. 197
Experimental Farms.. 16
External Affairs, Annual Report.. .. .. 29*b*

F

Farmer's Bank, Papers relating to..110, 110*a*
Farmers' Delegation.. 113
Fast Atlantic Service.. 200
Fisheries, Annual Report.. 22
Fish landed.. 84
Fisheries Act, changes in.. .. .. 97*a*
Fishery Bounty, names of persons receiving.. .. ..158, 158*a*
Fisheries Commission, Manitoba, Report of.. 174
Fisheries Commission, Alberta, Interim Report.. 211
Fishing in the Bays, Rights of.. 62
Fisheries Officers, Names, Salaries and Duties of.. 165
Fishery Regulations, Breaches of.. ..91, 91*a*
Fishery Wardens in Victoria Co., N.S. 165*a*
Food, Adulteration of.. 14
Forest Reserve Act.. 61
France, Trade Relations with.. .. .. .. 10*a*

F

French, Genl. Sir John, Report of.. .. .. 35a
Fruit and Vegetable Growers, Deputation of.. .. .. 113a

G

Gas, Inspection of.. 13
Geographic Board.. .. .. 21a
General Orders, Militia.. 41
Geological Survey, Report.. 26
Germany, Trade Relations with.. .. .. 10a
Georgian Bay Canal.. .. ..98, 98c
Glace Bay, Bait Association.. 177
Governor General's Warrants.. 42
Godleib, Said, Detention of, at Grosse Isle.. 167
Grain Statistics.. .. .. 10d
Grand Trunk Railway Co., Strike on..72a, 72b
Greenway, Thomas, Correspondence with 96b
Guysborough 'Times,' Postal Privileges 187

H

Hague Tribunal Award.. .. .. 97b
Haney, Quinlan & Robertson.. .. .. .. 77a
Harbours and Rivers, Amounts Expended on.. 184
Harbour Commissioners.. 23
'Herald,' Montreal, amounts paid to.. 74a
Hickman, W. A., Immigration Agent.. 76h
Holmes, Rt. Rev. Geo., D.D.. .. .. 130a
House of Commons:—
Internal Economy.. 46
By-Elections.. 18
Sessional Employees.. 103
Hydrographic Survey.. .. .. 25a

I

Ice Formation on the St. Lawrence.. .. 21b
Immigration, Interior Report, Part II.. 25c
Immigration:—
Japanese Immigrants.. 76
Special Agents.. .. .. 76a
Number of Arrivals.. .. .. 76b
Claims of Restaurant Keepers.. .. .. 76c
Complaints against J. Dery.. .. .. .. 76d
Complaints against Restaurant Keepers.. .. .. 76e
Letter by Mr. L. Stein.. .. .. 76f
Payments to W. O. Creighton.. .. .. **76g**
Payments to W. A. Hickman.. .. .. .. 76h
Imperial Conference, Minutes of.. 208
Imperial Conference, Admiralty Conferences 208a, 208b, 208c
Imperial Conference, Military Conference.. .. .. 208d
Imperial Conference Secretariat, &c.. .. 176
Importations from the United States..131, 131a
Imports and Exports, 1846 to 1876.. .. .. 109c

I

Indian Reserves, Petroleum on.. 53
Indian Affairs, Annual Report.. 27
Indian Reserve, St. Peters.. .. ..71, 71a
Inland Revenue, Annual Report.. 12
Insect Pests.. 57
Insurance Act, Civil Service.. 43
Insurance, Annual Report.. 8
Insurance, Abstract.. 9
Intercolonial Railway, Accidents to Trains.. .. ..83, 83a
Intercolonial Railway, Renewal Equipment.. .. .. 83b
Intercolonial Railway, Maintenance Account.. .. .. 83b
Intercolonial Railway, Sleepers for.. .. 83c
Intercolonial Railway, East and Westbound Traffic.. 203
Internal Economy.. 46
International Waterways.. .. ..54, 54a
International Naval Conference.. .. .. 56m
'International,' Dredge, Work done by.. 93d
Interior, Annual Report.. 25
Inquiry Public Printing and Stationery. 39
Irrigation Grant, the Percy Aylwin.. .. 192
Irwin, Fanny Louise, Timber on Homestead of.. 132

J

Japanese Immigrants.. 76
Japan, Treaty with.. .. ..95d, 9
Jetté, His Honour, Judge, Administrator of Quebec.. 114
Journals, Distribution of.. .. .. 115b
Judges Residences in the Prov. of Quebec.. 170
Judges, Appointment of.. 199
Justice, Annual Report.. 34

K

Kelliher and Gordon, Agreement *re* N. T. R.. .. .. 77h
Kingston Firms, Supplies, &c., purchased from.. 156
Krenzer, J., Correspondence with.. .. .. 96b

L

Labour, Annual Report.. 36
Labour, Department of, Correspondence *re* Quebec Bridge.. .. .. 137c
Labour Gazette, Mailing List of.. 92
Lake, Genl. Sir P. H. N., Report of.. .. 35b
Lands, Dominion.. .. ..96, 96a, 96b
Laliberté, J. B., amounts paid to.. .. 146
La Patrie, amounts paid to.. .. .. 74d
La Presse, amounts paid to.. .. .. 74e
Law Firms, amounts paid to.. 99
La Vigie, amounts paid to.. .. .. 74c

L

Le Canada, amounts paid to.. .. .. ..74*f*, 74*k*
Letourneau, Louis, amounts paid to.. .. 148
Le Soleil, amounts paid to.. .. .. 74*b*
Letter Carriers in New Westminster.. .. 166
Lighthouse Keepers on River St. Lawrence.. .. ..94, 94*a*
Library of Parliament, Annual Report.. 33
List of Shipping.. .. .. 21*c*
Lobster Fishery Regulations.. 48
Long Sault, Works at.. .. ..157, 157*a*
Louisburg, Bait Freezers at 177*a*

M

Mahone Bay, Dismissal of Sub-collector at.. 161
'Manchester Engineer,' Stranding of. .. 182
Malboeuf, Jos. William, Half-breed Scrip, issued to.. 130
Manitoba Boundary.. 57
Manitoba Fisheries Commission.. 174
Manitoba and South-eastern Railway Co. 196
Marine, Annual Report.. 21
Martineau Company, monies paid to.. . 74*g*
Measures, Inspection of.. 13
Montreal Herald, amounts paid to.. .. 74*a*
Militia Council, Annual Report.. 35
Militia, General Orders.. 41
Militia Council, Interim Report.. .. .. 35*c*
Ministers of the Crown, Travelling Expenses of.. 172
Mines, Report of Department.. .. .. .. 26*a*
Mint, Operations of the.. 73
Miramichi Bay, Dredging in.. .. .. 93*a*
Miscellaneous, Unforseen Expenses.. .. 44
Meat Packers of Ontario and Quebec, Memorandum by.. .. .. 113*b*
Montreal Herald, amounts paid to.. .. 74*a*
'Montcalm,' Trips Made by Steamer.. .. 169
Montreal, Government Employees at.. .. 69*a*
Mounted Police.. 28

Mc

McDougall, Rev. John.. .. .. 71*a*

N

National Battlefields Commission.. .. ..
National Transcontinental Railway:—
Sixth Report of Commissioners.. 37
Concrete used in Construction.. .. .. 77*f*
Contracts for Bridges.. 77
Contracts at Winnipeg and St. Boniface.. .. .. 77*m*
Cost of Structures.. .. .. 77*c*
Eastern Division, Expenditure on.. .. 77*o*
Engineering Staff on.. .. .. 77*a*
Estimated Cost; Actual Cost.. .. .. .. 77*i*
Honey, Quinlan & Robertson, Contract of.. .. .. 77*a*

N

Interim Report of Commissioners.. .. 77*k*
Kelliher and Gordon, Agreement between.. .. .. 77*h*
Length in Miles of each Division, from Moncton to Winnipeg.. .. .. 77*l*
Over-classification or over-allowance.. 77*n*
Payments to Contractors.. .. .. 77*e*
Quantities of each kind of Excavation 77*b*
Spur Line to Quebec.. .. .. 77*p*
Total Expenditure on.. .. .. 77*j*
Train-hauled Filling.. .. .. 77*d*
58, 58*a*, 58*b*, 58*c*
Napanee River, Dredging of.. 93
Natural Gas, on Six Nation Reserve.. 71*c*
Naval Service of Canada:—
Applications for Service in.. .. .. .. 56*c*
Allowances to Petty Officers, &c.. .. .. 56*f*
Canadians Accepted in Navy.. .. .. .. 56*n*
Deputy Minister and other Officers in 56*d*
Expenditure in Connection with.. .. .. 56*b*
Increase of Wages Authorized.. .. .. 56*g*
International Naval Conference in London.. .. .. 56*l*
International Naval Conference, Correspondence.. .. .. 56*m*
Names of Employees in.. .. .. 56*e*
Name, Tonnage, &c., of each Ship.. .. 56*j*
Orders in Council, Travelling Allowances, &c.. .. .. 56*k*
Petitions for Postponement of Adoption of.. .. .. 56*i*
Regulations *re* Entry of Surgeons.. .. 56*o*
Rules and Regulations for.. .. .. 56*h*
Regulations in, *re* Rates of Pay.. 56
Regulations in, *re* Issue of Clothing.. 56*a*
Nelson River Survey.. 196
Newmarket Canal, Correspondence, &c.. 204
New Westminster, Penitentiary at.. .. 112
Newspapers, sums paid to 61
Netherland Loan Co.. .. .. ..95, 95*a*, 95*b*, 95*c*
North Atlantic Coast Fisheries.. 97
Northwest Territories Act, Chap. 62.. .. 79
North Bay, Receipts from Wharf at.. 111
Northwest Territories, Commissioner for 181
North Atlantic Collieries.. 155

O

Office Specialty Manufacturing Co., monies paid to.. 180
Opening and Closing of Parliament.. .. 104
Opium Smuggling on Pacific Coast.. .. 207
Orders in Council *re* D.L.S. Act.. 60
Ordinance to rescind Cukon Ordinance 78
Ottawa Improvement Commisison, Report of.. 138
Ottawa River Storage, Progress Report.. 19*a*
Oyster Culture.. 67

P

Paris Exposition, Expenses Incurred for 206
Parliament, Opening and Closing of.. .. 104
Parrsboro, Post Office Building at.. .. 86*a*
Pelagic Sealing Treaty.. 210
Pelletier, Sir Pantaleon, Leave of Absence of.. .. ..88, 88*a*
Penitentiaries, Annual Report.. 34
Penitentiary at New Westminster.. .. 112
Percy Alwyn, Irrigation Grant 192
Petroleum and Gas Regulations.. 53
Phœnix Bridge Co., Payment by.. 82
Picard, O.. & Sons, money paid to.. .. 74*i*
Police, Dominion.. 81
Police, Royal Northwest Mounted.. .. 28
Postmaster General, Annual Report.. .. 34
Powassan to Nipissing, Mail Route.. .. 171
Preston, W. T. R... .. ..95, 95*a*, 95*b*, 95*c*
Preferential Tarriff, Goods Imported under.. 142
Prince Edward Island, Winter Steamers 159
Prince Edward Island, Tunnel.. 188
Printing Bureau, Employees of.. 190
Printing, &c., Government.. 74
Provincial Control of Lands, &c.. ..106, 106*a*
Proclamation bringing into Force 'An Act to Amend the Ry Act.' 108
Public Accounts, Annual Report.. 2
Public Lands, &c., Disposition of.. ..141, 141*a*
Public Printing and Stationery.. 32
Public Printing and Stationery Inquiry 39
Public Works, Annual Report.. 19

Q

Quebec, Extension of Boundaries of.. .. 65
Quebec Oriental Railway.. 89, 128, 128*a*, 128*b*
Quebec Board of Trade, Resolutions by.. 122
Quebec, Temporary Employees at.. .. .. 120*a*
Quebec Bridge Co., Legal Existence of.125, 125*a*
Quebec Bridge, Tenders, &c., for.. ..137, 137*a*
Quebec Bridge, Engineers Appointed.. 137*b*
Quebec Bridge, Correspondence *re* Plans for New Bridge.. .. .. 137*d*
Quebec Bridge, Correspondence, Department of Labour *re*.. .. .. 137*c*

R

Railways Owned or Operated in United States by Canadian Railways.. 186
Railways and Canals, Annual Report.. 20
Railway Commissioners, Report of.. .. 20*c*
Railway Statistics.. .. .. 20*b*
Reciprocity with the United States.. from 59 to 59*s*
Reciprocal Trade with the Australian Commonwealth.. 109
Reconnaisance Survey of the Nelson River.. .. .. 19*b*

R

Retiring Allowances.. 45
River des Prairies, Dredging Work Executed.. .. ..93*b*, 93*c*
Royal Northwest Mounted Police.. 28

S

Samson & Filion, Quebec, monies paid to 124
Saskatchewan University, Land Grant for.. 143
Secretary of State, Annual Report.. .. 29
Senate, Cost of.. 100
Sessional Employees, House of Commons 103*a*
Seventh Military District, Complaint against Commandant.. 178
Seybold Building, Cost of Alterations and Repairs to.. 154
Shareholders in Chartered Banks.. 6
Sherwin-Williams Paint Co., amounts paid to.. 124
Shipping, List of.. .. .. 21*c*
Six Nation Reserve, Natural Gas on.. .. 71*c*
South Grey, Appointments in.. .. ..120, 120*a*
Southwest ¼ Section 10, Township 38.. 96
Stadacona Farm, Purchase of.. 191
Steamboat Inspection.. .. .. 23*a*
St. Peters Indian Reserve.. .. ..71, 71*a*, 71*b*
St. Pie, Post Office at.. 86
S.S. 'Minto,' 'Stanley' and 'Earl Grey,' Coal Purchased for.. .. ..136, 136*b*
Superannuation, &c.. 45
Surveyor General, Report, &c.. 25
Supplies bought from Firms in Kingston.. 156
Subsidized Steamship Services.. .. .. .. 10*e*
Subsidy Act, 1910.. 207

T

Tanguay, George, Lease of Government Property.. 140
Tanguay, George, Quebec, monies paid to 150
Tariff Relations with the United States 109*a*, 109*b*
Taschereau, C. E., Quebec, monies paid to.. 150
Topographical Surveys Branch.. .. .. .. 25*b*
Trade and Commerce, Canadian Trade.. 10*c*
Trade and Commerce.. 10
Trade and Navigation.. .. ..
Trade Relations, Canada and West Indies.. 38
Trade with Foreign Countries.. .. .. 10*f*
Trade with United Kingdom and Foreign Countries.. .. .. 10*b*
Trade Unions.. 50
Transcontinental Railway Commissioners.. .. ..37, 77*k*

T

Transcontinental Railway, Contract for Bridges.. .. ..77, 77*a*
Travelling Expenses of Ministers, &c.. 175*a*, 175*b*
Treaty of Commerce, &c., with Japan.95*d*, 95*e*
Treaty *re* Pelagic Sealing.. 110
Trent Valley Canal, Lease of Water Power on.. .. .. 98*d*
Trout Lake, Mail Route.. 171

U

Unclaimed Balances in Banks.. 7
Unforseen Expenses.. 44
United Kingdom, Trade Relations with 10*a*
United States, Trade Relations with.. .. 10*a*
United States Consuls in Dominion.. .. 101
University of Saskatchewan, Land Grant for.. 143

V

Vancouver, Customs Entries at.. 102
Vancouver Dry Dock Company.. 162
Vannutelli, Cardinal, Guard and Escort for.. 121
Veterinary Director General, Report of.. 15*b*

V

Vice-Regal Drawing Room, Correspondence *re*.. 63
Voters' Lists, Printing of.. 209

W

Walsh, E. J., C.E., Correspondence with 204
Wanda,' Appraising of the.. 163
Warrants, Governor General's.. 42
Weights, Measures, &c.. 13
Weigher, Appointment of at Montreal 134
Wentworth, Constituency, Appointments in.. .. .. 120*c*
Welland Canal, Enlargement.. .. .. ..98, 98*c*
Western Coal Operators' Association.. 202
Wheat Exported from Canada.. 119
Winnipeg River, Water Power Rights on 144
Winnipeg, Parliament Site in.. .. ..194, 194*a*
Wireless Telegraph Stations.. 90
'Wren,' the Trawler.. 85

Y

Yukon, Ordinances of Council, 1909.. .. 40
Yukon, Ordinances Rescinded.. 78
Yukon, Ordinances of Council, 1910.. .. 40*a*

See also Alphabetical List, Page 1.

LIST OF SESSIONAL PAPERS

Arranged in Numerical Order, with their titles at full length; the dates when Ordered and when Presented to the Houses of Parliament; the Names of the Senator or Member who moved for each Sessional Paper, and whether it is ordered to be Printed or Not Printed.

CONTENTS OF VOLUME 1.

(This volume is bound in two parts.)

1. Report of the Auditor General for the year ended 31st March, 1910. Volume I, Parts A to P, and Volume II, Parts Q to Y. Presented 21st November, 1910, by Hon. William Paterson.. .. ..*Printed for both distribution and sessional papers.*

CONTENTS OF VOLUME 2.

2. Public Accounts of Canada, for the fiscal year ended 31st March, 1910. Presented 21st November, 1910, by Hon. William Paterson.
Printed for both distribution and sessional papers.

3. Estimates for the fiscal year ending 31st March, 1912. Presented 2nd December, 1910, by Rt. Hon. Sir Wilfrid Laurier... ..*Printed for both distribution and sessional papers.*

4. Supplementary Estimates for the fiscal year ending 31st March, 1911. Presented 6th February, 1911, by Hon. W. S. Fielding.
Printed for both distribution and sessional papers.

5. Further Supplementary Estimates of sums required for the service of the Dominion for the year ending on 31st March, 1911. Presented 16th March, 1911, by Hon. W. S. Fielding.. .. ..*Printed for both distribution and sessional papers.*

5*a*. Further Supplementary Estimates for the year esding 31st March, 1911. Presented 8th May, 1911, by Hon. W. S. Fielding.
Printed for both distribution and sessional papers.

5*b*. Further Supplementary Estimates for the fiscal year ended 31st March, 1911 Presented 3rd May, 1911, by Hon. W. S. Fielding.
Printed for both distribution and sessional papers.

5*c*. Further Supplementary Estimates for the fisel year ending 31st March, 1912. Presented 9th May, 1911. by Hon. W. S. Fielding.
Printed for both distribution and sessional papers.

5*d*. Further Supplementary Estimates of sums required for the service of the Dominion for the year ending on 31st March, 1912. Presented 17th May, 1911, by W. S. Fielding.
Printed for both distribution and sessional papers.

CONTENTS OF VOLUME 2—*Concluded.*

6. List of shareholders in the Chartered Banks of the Dominion of Canada as on December 31, 1910. Presented 10th April, 1911, by Hon. W. S. Fielding.
Printed for both distribution and sessional papers.

CONTENTS OF VOLUME 3.

7. Report on dividends remaining unpaid, unclaimed balances and unpaid drafts and bills of exchange in Chartered Banks of the Dominion of Canada, for five years and upwards prior to December 31, 1910. Presented 19th July, 1911, by Hon. William Templeman.. .. ..*Printed for both distribution and sessional papers.*

CONTENTS OF VOLUME 4.

8. Report of the Superintendent of Insurance, for the year ended 31st December, 1910.
Printed for both distribution and sessional papers.

9. Abstract of Statements of Insurance Companies in Canada for the year ended 31st December, 1910. Presented 27th April, 1911, by Hon. W. S. Fielding.
Printed for distribution.

CONTENTS OF VOLUME 5.

10. Report of the Department of Trade and Commerce, for the fiscal year ended 31st March, 1910. Part 1, Canadian Trade. Presented 22nd November, 1910, by Rt. Hon. Sir Wilfrid Laurier.. .. ..*Printed for both distribution and sessional papers.*

10*a*. Report of the Department of Trade and Commerce, Part II. Canadian Trade with France, Germany, United Kingdom and United States. Presented 32nd November, 1910, by Rt. Hon. Sir Wilfrid Laurier.
Printed for both distribution and sessional papers.

10b. Report of the Department of Trade and Commerce, Part III. Canadian Trade with foreign countries, except France, Germany, the United Kingdom and United States Presented 22nd November, 1910, by Rt. Hon. Sir Wilfrid Laurier.
Printed for both distribution and sessional papers.

CONTENTS OF VOLUME 6.

10c, Report of the Department of Trade and Commerce for the fiscal year ended 31st March, 1910. Part IV, Canadian Trade, Miscellaneous. Presented 31st March, 1911, by Hon. W. S. Fielding.. .. ..*Printed for both distribution and sessional papers.*

10d. Report of the Department of Trade and Commerce for the fiscal year ended March 31st 1910. Part V, Grain Statistics, including the crop year ended August 31st 1910, and the season of navigation ended December 6th, 1910. Presented 12th May, 1911, by Hon. William Paterson....*Printed for both distribution and sessional papers.*

10e. Report of the Department of Trade and Commerce for the fiscal year ended 31st March, 1910, Part VI., Subsidized steamship services. Presented 20th April, 1911, by Hon. William Paterson.. .. ..*Printed for both distribution and sessional papers.*

10*f* Report of Trade and Commerce for the fiscal year ended 31st March, 1910, part VII.—Trade of foreign countries and Treaties and Conventions. Presented 31st March, 1911, by Hon. W. S. Fielding.. ..*Printed for both distribution and sessional papers.*

CONTENTS OF VOLUME 7.

11. Report of the Department of Customs, for the year ended 31st March, 1910. Presented 21st November, 1910, by Hon. William Paterson.
Printed for both distribution and sessional papers.

12. Reports, Returns and Statistics of the Inland Revenue for the Dominion of Canada, for the year ended 31st March, 1910. Presented 21st November, by Hon. William Templeman.. .. ..*Printed for both distribution and sessional papers.*

CONTENTS OF VOLUME 8.

13. Inspection of Weights and Measures, Gas and Electric Light, for the year ended 31st March, 1910. Presented 21st November, 1910, by Hon. William Templeman.
Printed for both distribution and sessional papers.

14. Report on Adulteration of Food, for the year ended 31st March, 1910. Presented 21st November, 1910, by Hon. William Templeman.
Printed for both distribution and sessional papers.

15. Report of the Minister of Agriculture for the Dominion of Canada, for the year ended 31st March, 1910. Presented 21st November, 1910, by Hon. S. A. Fisher.
Printed for both distribution and sessional papers.

15a. Report of the Dairy and Cold Storage Commissioner for the fiscal year ending the 31st March, 1910. Presented 12th January, 1911, by Hon. S. A. Fisher.
Printed for both distribution and sessional papers.

15*b*. Report of the Veterinary Director General and Live Stock Commissioner, J. G. Rutherford, V.S., for the year ending 31st March, 1909.
Printed for both distribution and sessional papers.

CONTENTS OF VOLUME 9.

16. Report of the Director and Officers of the Experimental Farms, for the year ending 31st March, 1910. Presented 21st November, 1910, by Hon. S. A. Fisher.
Printed for both distribution and sessional papers.

17. Criminal Statistics for the year ended 30th September, 1909. Presented 21st November, 1910, by Hon. S. A. Fisher.. .. ..*Printed for both distribution and sessional papers.*

CONTENTS OF VOLUME 10.

18. (1908). Return of the eleventh general election for the House of Commons of Canada, held on the 19th and 26th of October, 1908.. .. ..*Reprinted.*

18. Return of By-Elections (Eleventh Parliament) House of Commons. 1910.
Printed for both distribution and sessional papers.

CONTENTS OF VOLUME 11.

19. Report of the Minister of Public Works on the works under his control for the year ended 31st March, 1910. Presented 21st November, 1910, by Hon. William Pugsley.
Printed for both distribution and sessional papers.

19a. Progress Report Ottawa River Storage, for the fiscal year 1909-1910 (supplementing investigations in regard to Georgian Bay Ship Canal project). Presented 6th March, 1911, by Hon. William Pugsley..*Printed for both distribution and sessional papers.*

CONTENTS OF VOLUME 12.

19b. Report upon Reconnaisance Survey of the Nelson River, September-October, 1909. Presented 16th February, 1911, by Hon. William Pugsley.
Printed for both distribution and sessional papers.

20. Report of the Department of Railways and Canals, for the fiscal year ended 31st March, 1910. Presented 21st November, 1910, by Hon. G. P. Graham.
Printed for both distribution and sessional papers.

20a. (1909.) Canal Statistics for the season of navigation, 1909. Presented 21st March, 1910, by Hon. G. P. Graham .. .. ..*Printed for both distrbiution and sessional papers.*

20*a*. Canal Statistics for the season of navigation, 1910. Presented 10th April, 1911, by Hon. G. P. Graham.. .. ..*Printed for both distribution and sessional papers.*

20b. Railway Statistics of the Dominion of Canada, for the year ended 30th June, 1910. Presented 16th December, 1910, by Hon. G. P. Graham.
Printed for both distribution and sessional papers.

CONTENTS OF VOLUME 13.

20c. Fifth Report of the Board of Railway Commissioners for Canada, for the year ending 31st March, 1910. Presented 21st November, 1910, by Hon. G. P. Graham.
Printed for both distribution and sessional papers.

21. Report of the Department of Marine and Fisheries (Marine, 1910. Presented 21st November, 1910, by Hon. L. P. Brodeur.
Printed for both distribution and sessional papers.

21*a*. Report of the Geographic Board of Canada containing all decisions to 30th June, 1910.
Printed for both distribution and sessional papers.

CONTENTS OF VOLUME 14.

21b. Report on Ice formation in the St. Lawrence River, and Report of the influence of Icebergs on the temperature of the Sea as shown by use of the Micro-Thermometer in a trip to Hudson Strait and Bay in July, 1910, by H. T. Barnes, D.Sc., F.R.S.C. Presented 16th May, 1911, by Hon. S. A. Fisher.
Printed for both distribution and sessional papers.

21c. List of Shipping issued by the Department of Marine and Fisheries, being a list of vessels on the registry books of Canada, on 31st December, 1910. Presented 19th July, 1911, by Hon. L. P. Brodeur.
Printed for both distribution and sessional papers.

22. Report of the Department of Marine and Fisheries (Fisheries), 1910. Presented 21st November, 1910, by Hon. L. P. Brodeur.
Printed for both distribution and sessional papers.

CONTENTS OF VOLUME 15.

23. Report of the Harbour Commissioners, &c., to 31st December, 1910.
Printed for both distribution and sessional papers.

23a. Report of the Chairman of the Board of Steamboat Inspection, for the fiscal year 1910. Presented 21st November, 1910, by Hon. L. P. Brodeur.
Printed for both distribution and sessional papers.

CONTENTS OF VOLUME 15—*Concluded.*

24. Report of the Postmaster General for the year ended 31st March, 1910. Presented 22nd November, 1910, by Rt. Hon. Sir Wilfrid Laurier.
Printed for both distribution and sessional papers.

CONTENTS OF VOLUME 16.

25. Report of the Department of the Interior, for the fiscal year ending 31st March, 1910. Presented 21st November, 1910, by Hon. Frank Oliver.
Printed for both distribution and sessional papers.

CONTENTS OF VOLUME 17.

25*a*. Report of the Chief Astronomer, Department of the Interior, for year ending 31st. March, 1910.. .. ..*Printed for both distribution and sessional papers.*

25*b*. Annual Report of the Topographical Surveys Branch, Department of the Interior, 1909-10. Presented 31st March, 1911, by Hon. Frank Oliver.
Printed for both distribution and sessional papers.

25*c*. Report of Dr. P. H. Bryce, Chief Medical Officer, Appendix to Report of Superintendent of Immigration. Presented 9th. December, 1910, by Hon. Frank Oliver.
Printed for both distribution and sessional papers.

CONTENTS OF VOLUME 18.

25*d*. Report of the Hydrographic Survey (Streams measurement). Department of the Interior.. .. ..*Printed for both distribution and sessional papers.*

26. Summary Report of the Geological Survey Branch, Department of Mines, for Calendar year 1910. Presented 19th. July, 1911, by Hon. William TeTmpleman.
Printed for both distribution and sessional papers.

26*a*. (1909) Summary Report of the Mines Branch of Department of Mines, for the calendar year, 1909. Presented 26th. January, 1911, by Hon. William Templeman.
Printed for both distribution and sessional papers.
This is bound in Vol. XVI, 1910.

CONTENTS OF VOLUME 19.

27. Report of the Department of Indian Affairs, for the year ended 31st March, 1910. Presented 21st November, 1910, by Hon. Frank Oliver.
Printed for both distribution and sessional papers.

28. Report of the Royal Northwest Mounted Police, 1910. Presented 2nd December, 1910, by Rt. Hon. Sir Wilfrid Laurier..*Printed for both distribution and sessional papers.*

CONTENTS OF VOLUME 20.

29. Report of the Secretary of State of Canada for the year ended 31st March, 1910. Presented 21st November, 1910, by Hon. Charles Murphy.
Printed for both distribution and sessional papers.

29a. (No issue).

CONTENTS OF VOLUME 20—*Concluded.*

29b. Report of the Secretary of State for External Affairs, for the year ended 31st March, 1910. Presented 21st November, 1910, by Hon. Charles Murphy.
Printed for both distribution and sessional papers.

30. Civil Service List of Canada, 1910. Presented 21st November, 1910, by Hon. Charles Murphy... .. ..*Printed for both distribution and sessional papers.*

CONTENTS OF VOLUME 21.

31. Second Annual Report of the Civil Service Commission of Canada, for the period from 1st September, 1909 to 31st August, 1910. Presented 1st December, 1910, by Hon. Charles Murphy.. .. ..*Printed for both distribution and sessional papers.*

32. Annual Report of the Department of Public Printing and Stationery, for the fiscal year ended 31st March, 1910. Presented 22nd November, 1910. by Hon. Charles Murphy.. .. ..*Printed for both distribution and sessional papers.*

33. Report of the Joint Librarians of Parliament for the year 1910. Presented 17th November, 1910, by the Hon. the Speaker.. .. .. ..*Printed for sessional papers.*

34. Report of the Minister of Justice as to Penitentiaries of Canada, for the fiscal year ended 31st March, 1910. Presented 30th November, 1910, by Hon. A. B. Aylesworth.
Printed for both distribution and sessional papers.

35. Report of the Militia Council, for the fiscal year ending 31st March. 1910. Presented 21st November, 1910, by Hon. Sir Frederick Borden.
Printed for both distribution and sessional papers.

35a. Report of General Sir John French, G.C.B., Inspector General of the Imperial Forces, upon his Inspection of the Canadian Military Forces. Presented 22nd November, 1910, by Hon. Sir Frederick Borden.
Printed for both distribution and sessional papers.

35b. Report upon the best method of giving affect to the recommendations of General Sir John French, regarding the Canadian Militia, by Major General Sir P. H. N. Lake, K.C.M.G., Inspector General. Presented 22nd November, 1910, by Hon. Sir Frederick Borden.. .. ..*Printed for distribution and sessional papers.*

35c. Interim Report of the Militia Council for the Dominion of Canada on the Training of the Militia during the season of 1910. Presented 31st March, 1911, by Hon. Sir Frederick Borden.. .. ..*Printed for distribution.*

36. Report of the Department of Labour, for the fiscal year ending 31st March, 1910, including Report of Proceedings under the Industrial Disputes Investigation Act, 1907. Presented 21st November, 1910, by Hon. W. L. Mackenzie King.
Printed for both distribution and sessional papers.

CONTENTS OF VOLUME 22.

36a. Report on Industrial Disputes in Canada up to 31st March, 1911.
Printed for both distribution and sessional papers.

36b. Comparative prices of Agricultural, Fisheries, Lumber and Mine products in Canada and the United States, 1906-1911. Presented 28th July, 1911, by Hon. W. L. Mackenzie King.. .. ..*Printed for both distribution and sessional papers.*

CONTENTS OF VOLUME 22—*Concluded.*

37. Sixth Report of the Commissioners of the Transcontinental Railway, for the year ending 31st March, 1910. Presented 21st November, 1910, by Hon. G. P. Graham.
Printed for both distribution and sessional papers.

38. Report of the Royal Commission on Trade Relations between Canada and the West Indies, together with Part II, Minutes of evidence taken in Canada and Appendices; Part III, Minutes of evidence taken in the West Indies, and Appendices; and also Part IV, Minutes of evidence taken in London and Appendices. Presented 21st November, 1910, by Ho. William Paterson.. .. ..*Printed for Sessional Papers.*

39. Report of the Honourable the Secretary of State, on the inquiry into the affairs of the Department of Public Printing and Stationery. Presented 21st November, 1910, by Hon. Charles Murphy.. .. .. ..*Printed for both distribution anl sessional papers.*

CONTENTS OF VOLUME 23.

40. Ordinances of the Yukon Territory, passed by the Yukon Council in the year, 1909. Presented 21st November, 1910, by Hon. Charles Murphy.. .. ..*Not printed.*

40a. Ordinances of the Yukon Territory passed by the Yukon Council in the year 1910. Presented 4th April, 1911, by Hon. Charles Murphy.. .. ..*Not printed.*

41. General Orders issued to the Militia, between the 1st November, 1909, and the 18th October, 1910. Presented 22nd November, 1910, by Hon. Sir Frederick Borden.
Not printed.

42. Statement of Governor General's Warrants issued since the last session of Parliament, on account of the fiscal year 1910-11. Presented 22nd November, 1910, by Hon. William Paterson.. .. ..*Not printed.*

43. Statement in pursuance of section 17 of the Civil Service Insurance Act, for the year ending 31st March, 1910. Presented 22nd November, 1910, by Hon. William Paterson.
Not printed.

44. Statement of expenditure on account of miscellaneous unforeseen expenses, from the 1st April, 1910, to 17th November, 1910, in accordance with the Appropriation Act of 1910. Presented 22nd November, 1910, by Hon. William Paterson....*Not printed.*

45. Statement of Superannuation and Retiring Allowances in the Civil Service during the year ending 31st December, 1910, showing name, rank, salary, service, allowance and cause of retirement of each person superannuated or retired, also whether vacancy filled by promotion or by new appointment, and salary of any new appointee. Presented 22nd November, 1911, by Hon. William Paterson.. .. ..*Not printed.*

46. Report of the proceedings of the preceding year, of the Commissioners of Internal Economy of the House of Commons, pursuant to Rule 9. Presented 1st December, 1910, by the Hon. the Speaker.. .. ..*Printed for sessional papers.*

47. Return, in pursuance of section 16, of the Government Annuities Act, 1908, containing statement of the business done during the fiscal year, ending 31st March, 1910. Presented 1st December, 1910, by Hon. S. A. Fisher.. .. ..*Printed for sessional papers.*

48. Return to an order of the House of Commons, dated 1st December, 1910, for a copy of the existing lobster fishery regulations, adopted by Order in Council on 30th September, 1910. Presented 1st December, 1910, by Hon. L. P. Brodeur.
Printed for sessional papers.

CONTENTS OF VOLUME 23—*Continued.*

49. Detailed statement of all bonds or securities registered in the Department of the Secretary of State of Canada, since last return (25th November, 1909), submitted to the Parliament of Canada under Section 32 of Chapter 19, of the Revised Statutes of Canada, 1906. Presented 1st December, 1910, by Hon. Charles Murphy.. ..*Not printed.*

50. Annual Return respecting Trade Unions, under chapter 125, R.S.C., 1906. Presented 1st December, 1910, by Hon. Charles Murphy.. .. ..*Not printed.*

51. Regulations under "The Destructive Insect and Pest Act." Presented 1st December, 1910, by Hon. S. A. Fisher.. .. ..*Not printed.*

52. First Annual Report of the Commission on Conservation, 1910. Presented 5th December, 1910, by Hon. S. A. Fisher.. .. ..*Printed for sessional papers.*

53. Regulations established by Order in Council of 17th May, 1910, for the disposal of petroleum and gas on the Indian Reserves in the Provinces of Alberta and Saskachewan and in the Northwest Territories. Presented 5th December, 1910, by Hon. Charles Murphy.. .. .. y .. .. ..*Not printed.*

54. Report of the International Waterways Commission on the regulation of Lake Erie, with a discussion of the regulation of the Great Lakes System. Presented 7th December, 1910, by Hon. William Pugsley.. .. ..*Printed for sessional papers.*

54*a*. Return to an Address of the House of Commons, dated 12th December, 1910, for a copy of all orders in council or other authority, appointing members of the Canadian section of the Joint International Waterways Commission, together with all reports, recommendations and correspondence submitted to the Government, or any department thereof, by the said Canadian section, or any member thereof. Also a statement of the total expenses of such Canadian section up to date, with particulars thereof. Presented 8th May, 1911.—*Mr. Macdonell*.. .. .. ..*Not printed.*

55. Return in so far as the Department of the Interior is concerned) of copies of all Orders in Council, plans, papers, and correspondence which are required to be presented to the House of Commons, under a Resolution passed on 20th February, 1882, since the date of the last return, under such Resolution. Presented 9th December, 1910, by Hon. Frank Oliver.. .. ..*Not printed.*

55*a*. Return of lands sold by the Canadian Pacific Railway Company during the year which ended on the 31st October, 1910. Presented 4th May, 1911, by Hon. Frank Oliver .. .. *Not printed.*

56. Regulations issued by the Department of the Naval Service regarding rates of Pay, pursuant to Section 47 of the Naval Service Act. Presented 9th December, 1910, by Hon. L. P. Brodeur... .. ..*Not printed.*

56*a*. Regulations issued by the Department of the Naval Service, regarding the issue of the existing Lobster Fishery Regulations, adopted by rder in Council on 30th September, 1910, by Hon. L. P. Brodeur.. .. ..*Not printed.*

56b. Return to an order of the House of Commons, dated 5th December, 1910, for a statement showing the detailed expenditure to date out of the sum voted by the House in connection with the new Navy, giving in each case the amount paid, to whom paid and the object of the expenditure. Presented, 16th December, 1910.—*Mr. Monck*.. .. ..*Not printed.*

CONTENTS OF VOLUME 23—*Continued.*

56c. Return to an order of the House of Commons dated 14th December, 1910, for a Return showing how many applications have been received from Canadian citizens for service in the proposed Canadian Navy, as officers, and able seamen or blue-jackets, respectively, and how many officers and men, respectively, of the British Navy have made application for such service. Presented 11th January, 1911.—*Mr. Jameson* .. .. *Not printed.*

56d. Return to an address of the Senate dated 24th November, 1910, for the following information:—1. Has the Department of the Naval Service, which was erected by the legislation of last session, been regularly organized and put in operation? 2. Who has been appointed Deputy Minister by the Governor in Council? 3. Who are the other officials and clerks necessary for the proper administration of the affairs of the new department who have been appointed by the Governor in Council? 4. Who among these officials and clerks are those who have been transferred from the Department of Marine and Fisheries to the Department of the Naval Service? 3. Wro among these officials and clerks come from elsewhere? 6. What is the salary of each of the officials? Presented 11th January, 1911.—*Hon. Mr. Landry....Not printed.*

56e. Return to an order of the House of Commons, dated 7th December, 1910, for a statement showing:—1. The names of all those engaged to date by the Government in connection with the new Naval Deparment, whether for service at sea or for work in connection with the department, either for inside or outside service. 2. The domicile of origin of those thus engagged, their previous occupation, rank or grade in the British Navy or elsewhere, and previous rate of pay or remuneration 3. The duties assigned, rank or occupation of those thus engaged in the service of Canada, and present salary and allowances. Presented 18th January, 1911.—*Mr. Monk*.. .. ..*Not printed.*

56f. Copy of an Order in Council approved by His Excellency the Governor General on the 22nd December, 1910, authorizing certain allowances to Petty Officers and men in the Naval Service. Presented 19th January, 1911, by Hon. L. P. Brodeur.
Not printed.

56g. Copy of an Order in Council approved by His Excellency the Governor General on the 22nd December, 1910, and publisded in the *Canada Gazette* on the 14th January, 1911, authorizing increase in wages to certain ratings in the naval service. Presented 19th January, 1911, by Hon. L. P. Brodeur.. .. ..*Not printed.*

56h. Return to an Address of the House of Commons, dated 11th January, 1911, for a return showing all rules and regulations passed by the Governor in Council under the provisions of the Navy Act, adopted at the last session of parliament. Presented 26th January, 1911.—*Mr. Monk*.. .. ..*Not printed.*

56i. Return to an order of the Senate dated the 24th November, 1910, for a statement showing in as many distinct columns:—1. The name of the electoral district. 2 The name of the parish, township, town or city. 3. The name of the first signer, and mention of the additional number of signers of each of the petitions presented during the last session, either to the House of Commons or to the Senate, praying for the postponement of the adoption of the proposed Naval Act until the people have had the opportunity of expressing their will by means of a plebiscite. 4. The date of the presentation of each of these petitions. 5. The names, in each case, of the Member or Senator who presented these petitions. Presented 30th November, 1910.—*Hon. Mr. Landry*.. .. ..*Not printed.*

CONTENTS OF VOLUME 23—*Continued.*

56*j*. Return to an order of the Senate dated February 1, 1911, calling for in as many columns:—1. The names of all the ships of which the Canadian fleet service is actually composed. 2. The tonnage of each of these ships. 3. How old, is each ship at present. 4. The purchase price, or cost of construction, or, in default thereof, the actual value of each ship. 5. The horse-power of each of them. 6. The motive power, side wheels, propeller or sails. 7. The number of persons of which the crew of each of these ships is composed. 8. The cost of annual maintenance of each ship with its crew. 9. The purpose for which each ship is used, specifying whether it is for the guarding of the coasts, the protection of fisheries, or for the what other purpose. 10. The waters on which each of these ships sails—the waters of the Atlantic or Pacific Oceans, the Great Lakes, of the St. Lawrence river, or elsewhere, with a short statement showing the number and the net tonnage of the ships of the Great Lakes service,—of the ships stationed on the shores of British Columbia, and of the ships sailing on the waters of the eastern portion of the American continent owned by us. Presented 14th February, 1911.—*Hon. Mr. Landry.*
Not printed.

56*k*. Orders in Council published in *Canada Gazette* 11th February, 1911, No. 83/116. Regulations for entry of naval instructors. No. 91/146. Revised rates of pay for electricians. No. 86/146. Revised travelling allowances. Presented 23rd February, 1911, by Rt. Hon. Sir Richard Cartwright.. .. ..*Not printed.*

56*l*. Return to an address of the House of Commons, dated 6th February, 1911, for a copy of the final protocol or agreement entered into at the International Naval Conference held in London, December, 1908, February, 1909, and of the general report presented to the said Naval Conference on behalf of its drafting committee, and of all correspondence exchanged between the Imperial Government and the Government of Canada in regard to the same. Presented 10th March, 1911.—*Mr. Monk.. .. ..Not printed.*

56*m*. 1. Correspondence and documents respecting the International Naval Conference held in London, December, 1908, February, 1909. 2. Correspondence respecting the Declaration of London. 3. Final Act of the Second Peace Conference held at The Hague in 1907, and Conventions and Declarations annexed thereto. Presented 23rd March, 1911, by Rt. Hon. Sir Wilfrid Laurier.. .. ..*Not printed*

56*n*. Return to an order of the House of Commons, dated 27th February, 1911, for a Return showing:—1. How many Canadians have been accepted as members of the Canadian Navy. 2. What are the names and former residence of those who have been accepted. Presented 24th March, 1911.—*Mr. Taylor (Leeds),.. .. .. ..Not printed.*

56*o*. Order in Council, approved by His Excellency the Governor General on the 31st March, 1911, and published in the *Canada Gazette* April 15th, 1911:—No. 358 revised regulations for entry of surgeons into the Naval Service. Presented 24th April, 1911, by Hon. L. P. Brodeur.. .. ..*Not printed.*

57. Return to an Order of the House of Commons, dated the 7th December, 1910, for a copy of all correspondence between the Government of Canada or the Right Honourable, the First Minister, and the government of Manitoba, or the Premier of Manitoba, referring to the demand of Manitoba for an extension of boundaries and an increase in subsidy. Presented 14th December, 1910.—*Mr. Staples.*
Printed for sessional papers.

58. Memorandum respecting the finances of the National Battlefields Commission, as on the 31st March, 1910. Presented 15th December, 1910, by Hon. William Paterson.
Printed for sessional papers.

CONTENTS OF VOLUME 23—*Continued.*

58*a*. Report from The National Battlefields Commission. Presented 15th December, 1910, by Rt. Hon. Sir Wilfrid Laurier.. .. ..*Printed for sessional papers.*

58*b*. Return to an Address of the Senate dated 24th February, 1911, calling for a copy of the last report made to the Government by the members of the Quebec Battlefields Commission. Presented 10th March, 1911.—*Hon. Mr. Landry.. .. ..Not printed.*

58c. Return to an Order of the Senate dated 12th January, 1911, for copies of all Orders in Council relating to the appointment of members of the "National Battlefields Commission" of the Province of Quebec, as well as a statement showing the sums received by the said Commission, the sources whence received, the interest thereon, the expenses incurred, the nature of such expenses, distinguishing what has been paid for the acquisition of lands, the balance in hand, and the approximate cost, with the nature of the expenses to be incurred to attain the end which the Commission has proposed for itself. Presented 21st March, 1911.—*Hon. Mr. Landry. Not printed.*

58*d*. Return to an order of the Senate dated 23rd February, 1911, for a statement showing the number of gold, silver, and bronze medals, which the Quebec Battlefields Commission has caused to be struck in commemoration of the three hundredth anniversary of the foundation of the City of Quebec, the cost of each of these series of medals, the names of the persons to whom, or the institutions to which, gold medals, silver medals, and bronze medals have been given. Presented 28th April, 1911.—*Hon. Mr. Landry.. .. ..Not printed.*

59 Return to an address of the House of Commons, dated 7th December, 1910, for a copy of all petitions, memorials and resolutions from individuals, Boards of Trade or other bodies and corporations, favouring or asking for a treaty or reciprocity with the United States; and also if all similar documents protesting against or unfavourable to the same, and a copy of all correspondence had with the Government, or any member thereof, concerning reciprocity with the United States, since the 1st January, 1910. Presented 15th December, 1910.—*Mr. Foster.. .. .. ..Not printed.*

59*a*. Supplementary return to an address of the House of Commons, dated 7th December 1910, for a copy of all petitions, memorials and resolutions from individuals, Boards of Trade or other bodies and corporations, favouring or asking for a treaty of reciprocity with the United States; and also of all similar documents protesting against or unfavourable to the same, and a copy of all correspondence had with the government, or any member thereof, concerning reciprocity with the United States, since the 1st January, 1910. Presented 11th January, 1911.—*Hon. Mr. Foster. Not printed*

59*b*. Further supplementary return to an Address of the House of Commons, dated 7th December, 1910, for a copy of all petitions, memorials and resolutions from individuals, Boards of Trade or other bodies and corporations, favouring or asking for a treaty of reciprocity with the United States; and also of all similar documents protesting against or unfavourable to the same, and a copy of all correspondence had with the Government, or any member thereof, concerning reciprocity with the United States, since the 1st January, 1910. Presented 3rd February, 1911.—*Hon. Mr. Foster.. .. ..Not printed.*

59*c*. Further supplementary return to an Address of the House of Commons, dated 7th December, 1910, for a copy of all petitions, memorials and resolutions from individuals, Boards of Trade or other bodies and corporations, favouring os asking for a treaty of reciprocity with the United States; and also of all similar documents

CONTENTS OF VOLUME 23—*Continued.*

protesting against or unfavourable to the same, and a copy of all correspondence had with the Government, or any member thereof, concerning reciprocity with the United States, since the 1st January, 1910. Presented 8th February, 1911.—*Hon. Mr. Foster*.. .. ..*Not printed.*

59*d*. Further supplementary return to an Address of the House of Commons, dated 7th December, 1910, for a copy of all petitions, memorials and resolutions from individuals, boards of trade or other bodies and corporations, favouring or asking for a treaty of reciprocity with the United States; and also of all similar documents protesting against or unfavourable to the same, and a copy of all correspondence had with the government, or any member thereof, concerning reciprocity with the United States, since the 1st January, 1910. Presented 27th February, 1911.—*Hon. Mr. Foster.*,
Not printed.

59*e*. Further supplementary return to an Address of the House of Commons, dated 7th December, 1910, for a copy of all petitions, memorials and resolutions from individuals, Boards of Trade or other bodies and corporations, favouring or asking for a treaty of reciprocity with the United States; and also of all similar documents protesting against or unfavourable to the same, and a copy of all correspondence had with the Government, or any member thereof, concerning reciprocity with the United States, since the 1st January, 1910. Presented 8th March, 1911.—*Hon. Mr. Foster.*
Not printed.

59*f*. Further supplementary return to an Address of the House of Commons, dated 7th December, 1910, for a copy of all petitions, memorials and resolutions from individuals, Boards of Trade or other bodies and corporations, favouring or asking for a treaty of reciprocity with the United States; and also of all similar documents protesting against or unfavourable to the same, and a copy of all correspondence had with the Government, or any member thereof, concerning reciprocity with the United States, since the 1st January, 1910. Presented 14th March, 1911.—*Hon. Mr. Foster.*
Not printed.

59*g*. Further supplementary return to an Address of the House of Commons, dated 7th December, 1910, for a copy of all petitions, memorials and resolutions from individuals, Boards of Trade or other bodies and corporations, favouring or asking for a treaty of reciprocity with the United States; and also of all similar documents protesting against or unfavourable to the same, and a copy of all correspondence had with the Government, or any member thereof, concerning reciprocity with the United States, since the 1st January, 1910. Presented 22nd March, 1911.—*Hon. Mr. Foster.*
Not printed.

59*h*. Further supplementary return to an Address of the House of Commons, dated 7th December, 1910, for a copy of all petitions, memorials and resolutions from individuals, Boards of Trade or other bodies and corporations, favouring or asking for a treaty of reciprocity with the United States; and also of all similar documents protesting against or unfavourable to the same, and a copy of all correspondence had with the Government, or any member thereof, concerning reciprocity with the United States, since the 1st January, 1910. Presented 27th March, 1911.—*Hon. Mr. Foster.*
Not printed.

59*i*. Further supplementary return to an Address of the House of Commons, dated 7th December, 1910, for a copy of all petitions, memorials and resolutions from individuals, boards of trade or other bodies and corporations, favouring or asking for a treaty of reciprocity with the United States; and also of all similar documents pro-

CONTENTS OF VOLUME 23—*Continued.*

testing against or unfavourable to the same, and a copy of all correspondence had with the Government, or any member thereof, concerning reciprocity with the United States, since the 1st January, 1910. Presented 28th March, 1911.—*Hon. Mr. Foster.*
Not printed.

59*j*. Further supplementary return to an Address of the House of Commons, dated 7th December, 1910, for a copy of all petitions, memorials and resolutions from individuals, Boards of Trade or other bodies and corporations, favouring or asking for a treaty of reciprocity with the United States; and also of all similar documents protesting against or unfavourable to the same, and a copy of all correspondence had with the government, or any member thereof, concerning reciprocity with the United States, since the 1st January, 1910. Presented 28th March, 1911.—*Hon. Mr. Foster.*
Not printed.

59*k*. Further supplementary return to an Address of the House of Commons, dated 7th December, 1910, for a copy of all petitions, memorials and resolutions from individuals, Boards of Trade or other bodies and corporations, favouring or asking for a treaty of reciprocity with the United States; and also of all similar documents protesting against or unfavourable to the same, and a copy of all correspondence had with the Government, or any member thereof, concerning reciprocity with the United States, since the 1st January, 1910. Prsented 31st March, 1911.—*Hon. Mr. Foster.*
Not printed.

59*l*. Further supplementary return to an Address of the House of Commons, dated 7th December, 1910, for a copy of all petitions, memorials and resolutions from individuals, Boards of Trade or other bodies and corporations, favouring or asking for a treaty of reciprocity with the United States; and also of all similar documents protesting against or unfavourable to the same, and a copy of all correspondence had with the government, or any member thereof, concerning reciprocity with the United States, since the 1st January, 1910. Presented 7th April, 1911. —*Hon. Mr. Foster.*
Not printed.

59*m*. Further supplementary return to an Address of the House of Commons, dated 7th December, 1910, for a copy of all petitions, memorials and resolutions from individuals, Boards of Trade or other bodies and corporations, favouring or asking for a treaty of reciprocity with the United States; and also of all similar documents protesting against or unfavourable to the same, and a copy of all correspondence had with the Government, or any member thereof, concerning reciprocity with the United States, since the 1st January, 1910. Presented 19th April, 1911.—*Hon. Mr. Foster.*
Not printed.

59*n*. Further supplementary return to an Address of the House of Commons, dated 7th December, 1910, for a copy of all petitions, memorials and resolutions from individuals, Boards of Trade or other bodies and corporations, favouring or asking for a treaty of reciprocity with the United States; and also of all similar documents protesting against or unfavourable to the same, and a copy of all correspondence had with the Government, or any member thereof, concerning reciprocity with the United States, since the 1st January, 1910. Presented 19th April, 1911.—*Hon. Mr. Foster.*
Not printed.

59*o*. Further supplementary return to an Address of the House of Commons, dated 7th December, 1910, for a copy of all petitions, memorials and resolutions from individuals, boards of trade or other bodies and corporations, favouring or asking for a treaty of reciprocity with the United States, and also of all somilar documents pro-

CONTENTS OF VOLUME 23—*Continued.*

testing against or unfavourable to the same, and a copy of all correspondence had with the Government, or any member thereof, concerning reciprocity with the United States, since the 1st January, 1910. Presented 2nd May, 1911.—*Hon. Mr. Foster.*

Not printed.

59*p*. Further supplementary return to an Address of the House of Commons, dated 7th December, 1910, for a copy of all memorials and resolutions from individuals, Boords of Trade or other bodies and corporations, favouring or asking for a treaty of reciprocity with the United States; and also of all similar documents protesting against or unfavourable to the same, and a copy of all correspondence had with the Government, or any member thereof, concerning reciprocity with the United States, since the 1st January, 1910. Presented 5th May, 1911.—*Hon. Mr. Foster.*

Not printed.

59*q*. Return to an Order of the House of Commons, dated 19th April, 1911, for a Return showing what duties are imposed by Australia, New Zealand, Norway, France, Spain, Sweden, Switzerland, Austria-Hungary, Japan, Argentine, Venezuela and Russia, respectively, upon each of the articles included in the reciprocity agreement between the United States and Canada.

And also, a statement showing the import prices in 1910 on which duty was collected on the butter, eggs cheese, salt, beef, bacon, hams, mutton, lamb, pork in brine and other meat products detailed, barley, beans, oats, peas, wheat, hay, flaxseed, green apples, and animals, imported from the above named countries. Presented 8th May, 1911.—*Hon. Mr. Foster*.. .. ..*Not printed.*

59*r*. Return to an order of the House of Commons, dated 8th May, 1911, for a Return showing, taking the latest Return of Commerce and Navigation of the United States as a basis, the advantage Canada will have in the United States market over her principal competitors, under the construction given at Washington by the United States Court of Customs Appeals on April 10th, 1911, regarding the favoured nation clause, by which the competitors of Canada in the United States market are denied the privileges granted to Canada by the reciprocal agreement in regard to the importation into the United States of the following goods and articles, namely: (*a*) Mackerel pickled or salted; (*b*) Herring, pickled; (*c*) Cod, Haddock, Hake and Pollock, dried, smoked, salted or pickled; (*d*) all other kinds of fish, salted or pickled; (*e*) Fish oils: (*f*) Butter; (*g*) Cheese; (*h*) Cattle; (*i*) Horses; (*j*) Oats; (*k*) Coke; (*l*) Mineral Waters; (*m*) Rolled Iron or Steel Sheets, coated with zinc, tin or other metal; (*n*) Mica; (*o*) Flax seed; (*p*) Beans and dried peas; (*q*) Onions; (*r*) Potatoes; (*s*) other vegetables in natural state.

Also showing the present rate of duty in the United States on the above goods and articles; the rate under the proposed reciprocal agreement of the said goods and articles; the value of goods; and the amount of duty collected on goods imported from said competitors on the trade of said year, which will be free under the agreement on goods from Canada. Presented 16th May, 1911.—*Mr. Sinclair*..*Not printed.*

59*s*. Further supplementary Return to an Address of the House of Commons, dated 7th December, 1910, for a copy of all memorials and resolutions from individuals, Boards of Trade or other bodies and corporations, favouring or asking for a treaty of reciprocity with the United States; and also of all similar documents protesting against or unfavourable to the same, and a copy of all correspondence had with the Government, or any member thereof, concerning reciprocity with the United States, since the 1st January, 1910. Presented 19th May, 1911.—*Hon. Mr. Foster*...*Not printed.*

CONTENTS OF VOLUME 23—*Continued.*

59*t*. Statements relative to (1) The yearly imports, quantity and value, for the past six years into Canada from, respectively, Australia, New Zealand, Denmark, Holland, Belgium, France, Argentine Republic and the United States, of wheat, oats, horses, cattle, sheep, lambs, mutton, beef, eggs, butter, cheese, fowl, vegetables and fruit.

(2) The average prices of butter and of eggs in London, England, for the past five years in comparison with the prices, respectively, in Eastern Provinces, in Montreal, in Toronto, in Minneapolis, in Chicago, in Detroit, in Buffalo, in Boston and in New York. Presented 28th July, 1911, by Hon. S. A. Fisher.. .. ..*Not printed.*

60. Return of orders in council passed between the 1st of November, 1909, and the 30th September, 1910, in accordance with the provisions of section 5 of the Dominion Lands Survey Act, Chapter 21, 7-8 Edward VII. Presented 11th January, 1911, 1911, by Hon. Frank Oliver.. .. ..*Not printed.*

60*a*. Return of Orders in Council which have been published in the *Canada Gazette* and in the British Columbia *Gazette*, between 1st November, 1909, and 30th September, 1910, in accordance with provisions of subsection (*d*) of section 38 of the regulations for the survey, administration, disposal and management of Dominion Lands within the 40-mile railway belt in the province of British Columbia. Presented 11th January, 1911, by Hon. Frank Oliver.. .. ..*Not printed.*

60*b*. Return called for by section 77 of the Dominion Lands Act, chapter 20 of the Statutes of Canada, 1908, which is as follows:—

"77. Every regulation made by the Governor in Council, in virtue of the provisions of this Act, and every order made by the Governor in Council, authorizing the sale of any land or the granting of any interest therein, shall have force and effect only after it has been published for four consecutive weeks in the *Canada Gazette*, and all such orders or regulations shall be laid before both Houses of Parliament within the first fifteen days of the session next after the date thereof, and such regulations shall remain in force until the day immediately succeeding the day of prorogation of that session of Parliament, and no longer, unless during that session they are approved by resolution of both Houses of Parliament." Presented 11th January, 1911, by Hon. Frank Oliver.. .. ..*Not printed.*

61. Return of Orders in Council passed between the 1st November, 1909, and the 30th September, 1910, in accordance with the provisions of the Forest Reserve Act, sections 7 and 13 of Chapter 56, Revised Statutes of Canada. Presented 11th January, 1911, by Hon. Frank Oliver.. .. ..*Not printed.*

62. Return to an order of the House of Commons, dated the 7th December, 1910, for a copy of Sir John Thompson's memorandum on the question of the rights of fishing in the bays of British North America, prepared for the use of the British Plenipotentiaries at Washington in 1888 , and a copy of the Treaty agreed to and approved by the President. Presented 11th January, 1911.—*Hon. Mr. Foster.*

Printed for sessional papers.

63. Return to an Address of the House of Commons, dated 7th December, 1910, for a copy of any memorials, correspondence, &c., between His Excellency the Governor General and the Colonial Office, or between any member of the government, and the foreign consuls general in Canada, relative to the status of the latter, at official functions, such as the vice-regal drawing room. Presented 11th January, 1911.—*Mr. Sproule.*

Printed for sessional papers.

CONTENTS OF VOLUME 23—*Continued.*

64. Return to an order of the House of Commons, dated 6th December, 1910, for a return showing:—1. What newspapers or companies publishing newspapers in the cities of Montreal and Quebec have directly or indirectly received sums from the Government of Canada for printing, lithographing, binding or other work, between the 31st March, 1910, and the 15th November, following.

2. What is the total amount paid to each of said newspapers or companies between the dates above stated. Presented 11th January, 1911.—*Mr. Monk.. .. ..Not printed.*

65. Return to an Address of the House of Commons, dated 7th December, 1910, for a copy of all Orders in Council, correspondence, papers, maps or other documents, which passed between the Government of Canada or any member thereof, and the Government of Quebec, or any member thereof, or any other parties on their behalf, or between the Government of Canada and the Government of Ontario, or any members thereof, regarding the extension of the boundaries of the province of Quebec, as set forth in an Order in Council dated 8th July, 1896, establishing a conventional boundary, therein specified. And also any correspondence, papers, documents, &c., that may have passed between the aforesaid governments or members thereof, relative to the passing of an Act to confirm and ratify the aforesaid conventional boundary, which was passed in 1898. Presented 11th January, 1911.—*Mr. Sproule.*

Printed for sessional papers.

66. Return to an Order of the House of Commons, dated 14th December, 1910, for a Return showing the names of manufacturers in Canada of turned kiln dried maple boot, last and shoe last blocks, in the rough, for making manufacturers' boot and shoe lasts. Presented 11th January, 1911.—*Mr. Hughes.. .. ..Not printed.*

67. Return to an Order of the House of Commons, dated 5th December, 1910, for a copy of all correspondence, reports, memorials, surveys and other papers in the possession of the Government, and not already brought down, regarding the oyster industry of Canada; also a copy of all correspondence, reports and other papers regarding the ownership and control of Oyster beds and of barren bottoms suitable for Oyster culture, and regarding the consolidating of the ownership with the control and regulation of such beds and barren bottoms, and vesting the same in the hands of the Dominion Government; olso a copy of all correspondence, reports, recommendations and other papers relating to the leasing or sale of such beds or barren bottoms or of portions of them, for the purpose of Oyster culture or cultivation. Also o copy of all correspondence and reports relating to the culture, cultivation asd conservation of oysters and other mollusks. Presented 11th January, 1911.—*Mr. Warburton.*

Printed for sessional papers.

68. Order of the House of Commons, dated 5th December, 1910, for a copy of all reports, evidence, correspondence, and other documents relating to an investigation into irregularities in the life saving station at Clayoquot, mentioned on page 353 of the Report of the Department of Marine and Fisheries for 1909 and 1910, sessional paper No. 22. Presented 11th January, 1911.—*Mr. Barnard.. .. ..Not printed.*

69. Return to an Order of the House of Commons, dated 14th December, 1910, for a Return showing how many employees of the custom house at Montreal have left the service since the 1st July, 1896, up to this date, with their names, duties, salaries and ages, respectively, and date of their leaving; the names, ages, salaries and duties of those who have replaced them, the date of their entry and their present salaries. Presented 11th January, 1911.—*Mr. Wilson (Laval).. .. ..Not printed.*

CONTENTS OF VOLUME 23—*Continued.*

69*a*. Return to an Order of the House of Commons, dated 8th February, 1911, for a Return showing the full names of the permanent or temporary employees appointed at Montreal since the 1st of January, 1904, in the Post Office Department, the Customs, Inland Revenue and Public Works; the age and place of residence of these employees at the time of their appointment, the dates and nature of changes, promotions or increases of salary granted these employees since their appointment. Presented 28th April, 1911.—*Mr. Gervais*.. .. ..*Not printed.*

70. Return to an Address of the House of Commons, dated 7th December, 1910, for a Return showing what arrangements have been made with foreign countries by the Governor General in Council under the provisions of the Customs Tariff Act of 1907, without reference to Parliament. Presented 11th January, 1911.—*Mr. Ames*.. ..*Not printed.*

71. Return to an Order of the House of Commons, dated 14th December, 1910, for a Return showing the total expenses in connection with the surrender of St. Peter's Indian Reserve, including moving the Indians to new reserve, sale of lands, and all the expense made necessary by the surrender. Presented 11th January, 1911.—*Mr. Bradbury*.. .. ..*Not printed.*

71*a*. Return to an Order of the House of Commons, dated 14th December, 1910, for a copy of all correspondence with Rev. John McDougall and all instructions given to him regarding St. Peter's Indians and their reserve; and of Rev. John McDougall's report of his investigations at St. Peter's Indian Reserve. Presented 11th January, 1911. —*Mr. Bradbury*.. .. ..*Not printed.*

71*b*. Supplementary Return to an Order of the House of Commons, dated 14th December, 1910, for a Return showing the total expenses in connection with the surrender of St. Peter's Indian Reserve, including moving the Indians to new Reserve, sale of lands, and all the expense made necessary by the surrender. Presented 18th January, 1911. —*Mr. Bradbury*.. .. ..*Not printed.*

71*c*. Return to an Address of the House of Commons, dated 11th January, 1911, for a copy of all correspondence, offers, agreements, orders in council, reports, records, regulations, or other papers or documents, relating to the grant or surrender to one Merrill, or some other person or corporation, of the concession or right to bore for and acquire natural gas, upon or under the Six Nation Reserve, at or near Brantford, Ontario; together with a statement of all monies paid for said concession or right, and also of all monies subsequently received by the Six Nation Indians, or by the government on their behalf for such concession or rights. Presented 2nd February, 1911.—*Mr. Osler*.. .. ..*Not printed.*

72. Return to an Order of the House of Commons, dated 14th December, 1910, for a copy of all correspondence, reports, documents and papers relating to the strike of the employees of the Cumberland Coal and Railway Company, Limited, not previously brought down. Presented 11th January, 1911.—*Mr. Rhodes*.. .. ..*Not printed.*

72*a*. Return to an Order of the House of Commons, dated 5th December, 1910, for a copy of the agreement of settlement of the late strike between the Grand Trunk Railway Company and the conductors and brakemen, and of all correspondence, documents and papers relating thereto, or in consequence thereof, between the said parties, or between either and any person or persons authorized or professing to act for either, or between the Government or any Minister or Deputy Minister or other person on its behalf, and said parties, or either of them, or any person authorized or professing to act for them or either of them before, during, or since said strike. Presented 11th January, 1911.—*Mr. Northrup*.. .. ..*Not printed.*

CONTENTS OF VOLUME 23—*Continued.*

72*b*. Return to an Order of the House of Commons, dated 25th January, 1911, for a copy of all correspondence, documents and papers relating to the late strike on the Grand Trunk Railway between the said railway and the striking conductors and trainmen, or between either and any person or persons authorized or professing to act for either, or between the Government or any Minister or Deputy Minister, or any one on his behalf, and either of said parties or any on professing to act on behalf of either, since the 29th day of November, A.D., 1910, and particularly all documents, papers, correspondence and agreements relating to the reinstatement of any of the men who had been on strike, and the appointment of Judge Barron. Presented 2nd February, 1911.—*Mr. Northrup*.. .. ..*Not printed.*

73. Return to an Order of the House of Commons, dated 7th December, 1910, for a Return implementing for the year 1910, the information brought down in answer to an Order of the House of Commons referring to the operations of the mint, dated January 19, 1910. Presented 11th January, 1911.—*Hon. Mr. Foster*.. .. ..*Not printed.*

74. Supplementary Return to an Order of the House of Commons, dated 24th November, 1909, for a return showing the total amounts paid by the government in each year since 1896, for all printing, advertising and lithographing done outside of the Government Printing Bureau; the total amount so paid by each department of the Government or such purposes during each year; the names and addresses of each individual, firm or corporation to whom any such moneys have been so paid, and the total amount paid to each such individual, firm or corporation in each year since 1896. What portion of the said sums, if any, so paid since 1896 was expended after public advertisement, tender and contract, to whom such tenders were awarded, whether to the lowest tender in each case, what portion was expended otherwise than by public advertisement, tender and contract, and to whom it was paid in each instance. Presented 11th January, 1911.—*Mr. Armstrong*.. .. ..*Not printed.*

74*a*. Return to an Order of the Senate dated 1st February, 1911, for a Return showing year by year, from July 1st, 1896 up to date, the amounts paid to the Montreal *Herald*, by the several departments of the Government of this country. Presented 8th March, 1911.—*Hon. Mr. Landry*.. .. ..*Not printed.*

74*b*. Return to an Order of the Senate dated 25th January, 1911, for the production of a statement showing, year by year, from the 1st July, 1896 up to this date, the sums of money paid to the newspaper, *Le Soleil*, by each of the different departments of the Government of this country. Presented 8th March, 1911.—*Hon. Mr. Landry.* *Not printed.*

74*c*. Return to an Order of the Senate dated 25th January, 1911, for the production of a statement showing, year by year, the sums of money paid the newspaper *La Vigie*, of Quebec, by each of the different departments of the Government of this country from the founding of that newspaper up to this date. Presented 8th March, 1911.—*Hon. Mr. Landry*.. .. ..*Not printed.*

74*d*. Return to an Order of the Senate dated 1st February, 1911, for a Return showing, year by year, from 1st July, 1896, up to date, the amounts paid to *La Presse* of Montreal, by the several departments of the Government of this country. Presented 8th March, 1911.—*Hon. Mr. Landry*.. .. ..*Not printed.*

74*e*. Return to an Order of the Senate dated 1st February, 1911, for a Return showing, year by year, from July 1st, 1896, up to date, the amounts paid to *La Presse* of Montreal, by the several departments of the Government of this country. Presented 8th March, 1911.—*Hon. Mr. Landry*.. .. ..*Not printed.*

CONTENTS OF VOLUME 23—*Continued.*

74*f*. Return to an Order of the Senate dated 24th January, 1911, for a Return showing, year by year, from the 1st July, 1896, up to date, the amounts paid to the paper *Le Canada*, of Montreal, by each of the departments of the government of this country. Presented 8th March, 1911.—*Hon. Mr. Landry*.. .. ..*Not printed.*

74*g*. Return to an Order of the Senate dated 31st January, 1911, showing, year by year, from July the 1st, 1896, up to date, the amounts paid to the Martineau Company by the several departments of the country. Presented 4th April, 1911.—*Hon. Mr. Landry.* *Not printed.*

74*h*. Return to an Order of the Senate dated the 31st January, 1911, showing, year by year, from 1st July, 1896, up to date, the amounts paid to Mr. Jean Drolet, of Quebec, by the several departments of the country. Presented 4th April, 1911.—*Hon. Mr. Landry.* *Not printed.*

74*i*. Return to an Order of the Senate dated 3rd February, 1911, showing, year by year, from the 1st July, 1896, to this date, the sums of money paid to O. Picard and Sons, of Quebec, by the different departments of the Government of this country. Presented 4th April, 1911.—*Hon. Mr. Landry*.. .. ..*Not printed.*

74*j*. Return to an Order of the Senate dated 24th January, 1911, showing, year by year from July 1, 1896, up to date, the amounts paid to Mr. De Courcy, contractor, by each of the departments of this country. Presented 4th April, 1911. *Hon. Mr. Landry.* *Not printed.*

74*k*. Return to an Order of the House of Commons, dated the 23rd February, 1911, for a Return showing:—1. All sums of money paid by the Government since 31st March last to *Le Canada* newspaper of Montreal or the publishers of the same respectively, for advertising or printing, for lithographing or other work; and directly or indirectly for copies of the newspaper.

2. Is the said newspaper executing any work of any kind for the Government at present.

3. Have tenders been called publicly for any of the work done by said newspaper for the government during the past year. Presented 6th April, 1911.—*Mr. Monk.* *Not printed.*

74*l*. Supplementary Return to an Order of the Senate dated 24th January, 1911, for a Return showing year by year, from 1st July, 1896, up to date, the amounts paid to Mr. De Courcy, contractor, by each of the departments of this country. Presented 27th April, 1911.—*Hon. Mr. Landry*.. .. ..*Not printed.*

74*m*. Return to an Order of the House of Commons, dated 15th May, 1911, for a Return showing how much was paid by the Government to the proprietors or publishers of the Essex *Record*, a daily and weekly paper published in Windsor, Ontario, for printing and advertising, during the fiscal year ending 31st March, 1907, 1908, 1909, 1910 and 1911. Presented 18th July, 1911.—*Mr. Boyce*.. .. ..*Not printed.*

75. Return to an Order of the House of Commons, dated 12th December, 1910, for a Return showing the average value for duty in 1896 and in 1910, respectively, of the unit of each article or commodity enumerated in the schedules of the Customs Act, on which in both years an ad valorem duty was payable. Presented 12th January, 1911.—*Mr. Borden (Halifax)*.. .. ..*Not printed.*

CONTENTS OF VOLUME 23—*Continued.*

76. Return to an Order of the House of Commons, dated 14th December, 1910, for a Return showing all applications made to the Government during the period of agreement with Japan concerning Japanese immigrants, to admit such immigrants for special purposes, together with a copy of all correspondence in connection with the same. Presented 12th January, 1911.—*Mr. Taylor (New Westminster)*.. .. .. ..*Not printed.*

76*a*. Return to an Order of the House of Commons, dated 7th December, 1910, for a Return giving a list of the special immigration agents appointed by the government since the 31st March, 1909, in what portions of Great Britain and Irelond, the European Continent, or other country they are severally located, their addresses when they were so appointed the date of their appointment in each case their respective salaries and expenses, and any commissions that may have been paid to each or any since their appointment. Presented 12th January, 1911.—*Mr. Wilson (Lennox and Addington)*.. .. ..*Not printed.*

76*b*. Return to an Order of the House of Commons, dated 11th January, 1911, for a Return showing the number of immigrants who have come to Canada since the 31st March last up to the present time, the countries from which they came, the number from each such country, the number of males and the number of females in each case, the number under fourteen years of age, between fourteen and twenty-one years, between twenty-one and forty, and between forty and sixty in each case, their occupations before coming to Canada, their religion, their destination in Canada, their occupation when they arrived at such destination; also the number who have been prevented from landing, and the number deported. Presented 6th February, 1911.—*Mr. Wilson (Lennox and Addington)*.. .. ..*Not printed.*

76*c* Return to an Order of the Senate dated 24th January, 1911, calling for the production in detail of the accounts and claims fyled at the Department of the Interior or the Immigration Office, Quebec, by Mr. Jacques Dery; restaurant keeper, during the navigation season of 1910. Presented 7th February, 1911.—*Hon. Mr. Landry.*
Not printed.

76*d*. Return to an Order of the Senate dated 20th January, 1911, calling for the report received by the Immigration Department on the subject of the complaints brought against Mr. Jacques Dery, the keeper of the restaurant established in the immigration buildings at Quebec, and also of the correspondence exchanged and the inquiry held by the immigration agent with regard to the overcharges by the restaurant keeper, and of the refund which he had to make to immigrants of the price obtained for goods of bad quality. Presented 7th February, 1911.—*Hon. Mr. Landry.*
Not printed.

76*e*. Return to an Order of the Senate dated 25th January, 1911, for the production of a complaint, signed by a large number of persons employed at the Immigration Office and Immigration buildings at Quebec and addressed to the agent of the Department at that place, against Mr. Jacques Dery, the restaurant keeper, and also of the reply of the latter. Presented 7th February, 1911.—*Hon. Mr. Landry*.. .. .. ..*Not printed.*

76*f*. Return to an Order of the Senate dated 25th January, 1911, that an Order of this House do issue for the production of a letter dated 1st June, 1910, written by Mr. L. Stein, of Quebec, addressed to Mr. W. D. Scott, Superintendent of Immigration. Presented 10th February, 1911.—*Hon. Mr. Landry*.. .. ..*Not printed.*

CONTENTS OF VOLUME 23—*Continued.*

76*g*. Return to an Order of the House of Commons, dated 3rd April, 1911, for a Return showing the itemized accounts, vouchers, statements, reports and other papers relating to the salary and expenses of and payments to W. O. Creighton, farmer delegate to Great Britain in 1910. Presented 28th April, 1911.—*Mr. Stanfield*.. .. ..*Not printed*

76*h*. Return to an Order of the House of Commons, dated 3rd April, 1911, for a Return showing all itemized accounts, vouchers, statements, reports and other papers relating to the salary of and payments to W. A. Hickman, immigration agent to Great Britain in 1902 and 1903. Presented 28th April, 1911.—*Mr. Stanfield*.. .. ..*Not printed.*

77. Return to an Order of the House of Commons, dated 5th December, 1910, for a Return showing:—1. The estimated quantity of each class of material required for the construction.

2. The rates or prices agreed upon and the estimated cost of each class of material, based on rates on accepted tender.

3. The total estimated cost based on these quantities and rates in each case of the several bridges let to contract during the fiscal year ended March 31, 1910, referred to on pages 3 and 4 of the Sixth Annual Report of the Commissioners of the Transcontinental Railway.

4. A copy of the specifications and contract in each case, the number of the contract and the name of the contractor.

5. The number of bridges yet to be let to contract, location and character, and the estimated quantity of the different kinds of material in each case.

6. Why these bridges have not been let to contract and when contracts will probably be entered into as to these.

7. The bridges let to contract before March 31, 1909, identified by locality, name of each contractor and number, the estimated cost of each of these bridges at the time the contract was let, based on contract prices, the changes made in the plans, specifications or contracts if any, and claims or allowances for alterations or extras, if any, the percentage of the work done, the payments made to date, the amounts retained as contract reserve, and the ascertained or estimated amount required to complete in each case.

8. The bridges that have been completed, identified as above, the estimated cost at the time of awarding the contract, the nature and extent of changes in plans, specifications, or contract, if any, the increase or decrease of cost thereby occasioned, and the actual total cost of each of those bridges. Presented 13th January, 1911.—*Mr. Lennox*.. .. ..*Not printed.*

77*a*. Return to an Order of the House of Commons, dated 5th December, 1910, for a copy of the Tender and contract of Haney, Quinlan & Robertson for construction of locomotive and other shops about six miles east of Winnipeg, and the total estimated cost based on contract prices. Also a copy of the several other tenders sent in and a statement of the total estimated cost based upon each of these tenders as moneyed out at the time of awarding the contract. Presented 13th January, 1911.—*Mr. Lennox*.. .. ..*Not printed*

77*b*. Return to an Order of the House of Commons, dated 11th January, 1911, for a Return showing as to each contract district of the National Transcontinental Railway between Moncton and Winnipeg, respectively, what was the original departmental estimate of quantities of solid rock, broken stone, earth, sand, &c., and the quantities of each kind of excavation, as above, already paid for. Presented 24th January, 1911.—*Mr. Ames*.. .. ..*Not printed.*

CONTENTS OF VOLUME 23—*Continued.*

77*c*. Return to an Order of the House of Commons, dated 11th January, 1911, for a Return showing in all cases where finished structures on the National Transcontinental Railway, have differed materially, to an extent involving a difference in cost of more than $10,000, from the original standard plans; the original estimated cost of the structure; the cost according to altered plans; the nature of the change; the name of the resident engineer, and of the contractor or sub-contractor; the reason, if any, given for the alteration of plans; and a copy of the correspondence exchanged thereon between the headquarters staff and the engineer on the ground. Presented 24th January, 1911.—*Mr. Ames*.. .. ..*Not printed.*

77*d*. Return to an Order of the House of Commons, dated 11th January, 1911, for a Return showing the clause in the standard contract on the National Transcontinental Railway having reference to train hauled filling, with a statement showing what amounts have been paid to date, and to whom, for services of this nature. Presented 24th January, 1911.—*Mr. Ames*.. .. ..*Not printed.*

77*e*. Return to an Order of the House of Commons, dated 11th January, 1911, for a Return showing what amounts to date have been paid on force account to each and to all contracts connected with the National Transcontinental railway, setting forth the district affected thereby. Presented 24th January, 1911.—*Mr. Ames*.. ..*Not printed.*

77*f*. Return to an Order of the House of Commons, dated 11th January, 1911, for a Return showing all cases where in construction work on the National Transcontinetal Railway a richer mixture of concrete was used than that indicated in the standard specification, to an extent affecting the cost of the work to the amount of $5,000 or more; also the original estimated cost and the actual cost in each of such cases. Presented 24th January, 1911.—*Mr. Ames*.. .. ..*Not printed.*

77*g*. Return to an Order of the House of Commons, dated 11th January, 1911, for a Return showing a list of the members of the engineering staff who have been dismissed, or have resigned or left the service of the National Transcontinental Railway Commission since 1904, with position formerly held, the date of leaving, and the assigned cause in each instance. Presented 7th February, 1911.—*Mr. Ames*.. .. ..*Not printed.*

77*h*. Return to an order of the House of Commons, dated 26th January, 1911, for a Return showing:—1. In those cases in which an agreement was come to last autumn between Mr. Killiher and Mr. Gordon as to overbreak on the eastern Division of the Transcontinental Railway, what quantities of material, and of what class, and what sums of money were taken from or added to the progress Estimates.

2. In the cases where measurements had to be made, have they been made, and with what result. Presented 17th February, 1911.—*Mr. Lennox*.. .. .. ..*Not printed.*

77*i*. Return to an Order of the House of Commons, dated 11th January, 1911, for a Return showing, in respect of all cases on the National Transcontinental Railway, where the original specifications have not been adhered to; the estimated cost as per original plan; the actual or estimated cost as per amended plan; the name of the contractor and the resident engineer, and the reason given by the latter for such change. Presented 24th February, 1911.—*Mr. Ames*.. .. ..*Not printed.*

77*j*. Return to an Order of the House of Commons, dated 16th January, 1911, for a Return showing what will have been the total expenditure upon, in connection with or in consequence of, the National Transcontinental Railway up to the 31st of December, 1910, and what amount it is estimated will be required to complete and fully equip the said road between Winnipeg and Moncton. Presented 27th February, 1911.—*Mr. Ames*.. .. ..*Not printed*

CONTENTS OF VOLUME 23—*Continued.*

77*k*. Interim Report of the Commissioners of the Transcontinental Railway for the nine months ended December 31, 1910. Presented 27th February, 1911, by Hon. G. P. Graham.. .. .. .

CONTENTS OF VOLUME 23—*Continued.*

77*o*. Return to an Order of the House of Commons, dated 13th March, 1911, for a Return prepared upon the lines of Sessional Papers No. 46*i* of the 26th April, 1909, relating to the Eastern Division of the Transcontinental Railway, showing the actual expenditure upon each of the scheduled items upon each of the 21 contracts for construction of this division, down to the latest estimate made upon each contract, and the estimated quantity of work to be done and material to be furnished as to each of these items, and the estimated cost to complete the contract in each case. Presented 10th April, 1911.—*Mr. Lennox*.. .. ..*Not printed.*

77*p*. Return to an Address of the Senate dated 23rd March, 1911, for a copy of the Order in Council dated 23rd June, 1910, transferring from the Government to the National Transcontinental Railway Commission, the spur line between the Quebec bridge and the city of the same name. Presented 19th April, 1911.—*Hon. Mr. Landry.*
Not printed.

78. For approval by the House under section 17 of the Yukon Act, Chapter 63 of the Revised Statutes of Canada, 1906, a copy of an ordinance made by His Excellency the Governor General in Council, in virtue of the provisions of Section 16 of the said Chapter 63, on the 9th day of December, 1909, and intituled: "An ordinance to rescind an Ordinance respecting the imposition of a tax upon ale, porter, beer or lager beer imported into the Yukon Territory. Presented 13th January, 1911, by Hon. Frank Oliver.. .. ..*Not printed.*

79. Return under Section 88 of the Northwest Territories Act, Chapter 62, Revised Statutes of Canada. Presented 16th January, 1911, by Hon. Frank Oliver.. .. ..*Not printed.*

80. Return to an Order of the House of Commons, dated 5th December, 1910, for a copy of all correspondence between the mover and any other persons, corporations and municipal as well as other public bodies, and the Department of Railways and Canals, respectisg the reconstruction and alteration of the Canadian Pacific Railway Company's bridge across the St. Lawrence river at Lachine, P.Q. Presented 16th January, 1911.—*Mr. Monk*.. .. ..*Not printed.*

81. Report of the Commissioner, Dominion Police Force, for the year 1910. Presented 17th January, 1911, by Sir Allen Aylesworth.. .. ..*Not printed.*

82. Return to an order of the House of Commons, dated 7th December, 1910, for a copy of all correspondence exchanged between the government and the Phœnix Bridge Company in connection with the payment by said company of $100,000 in discharge of claims *re* contract. Presented 16th January, 1911.—*Mr. Ames*.. .. .. ..*Not printed.*

83. Return to an order of the House of Commons, dated 14th March, 1910, for a return showing the number of accidents to trains of the I.C.R. for ten months, from 1st April, 1908, to 31st December, 1908; the number of persons killed or injured in each of such accidents for ten months, from 1st April, 1908, to 31st December, 1908; and the cost of each of such accidents to the I. C. R., respectively, for repairs, property destroyed, compensation to passengers, and for compensation to shippers for freight and baggage. Presented 16th January, 1911.—*Mr. Stanfield*.. .. ..*Not printed.*

83*a*. Return to an order of the House of Commons, dated 14th March, 1910, for a return showing the number of accidents to trains on the I. C. R. between 1st April, 1909, and present date, and the location and particulars of each; the number of persons killed or injured in each of such accidents since 1st April, 1909, to date; and the cost of each of such accidents to the I. C. R., respectively, for repairs, property destroyed, compensation to passengers, and for compensation to shippers for freight and baggage. Presented 16th January, 1911.—*Mr. Stanfield*.. .. ..*Not printed.*

CONTENTS OF VOLUME 23—*Continued.*

83*b*. Return to an order of the House of Commons, dated 5th December, 1910, showing all data, statements, estimates, recommendations and reports with regard to an Intercolonial railway renewal equipment account, and as to the initiation of such account and the operation thereof to the present time.

2. A copy of all correspondence with the Auditor General and other persons in regard thereto.

3. A copy of all correspondence, inquiries and investigations by or on behalf of the Auditor General as to the need for such account, and as to the sufficiency or otherwise of moneys carried to such account, and also as to the application of such moneys.

4. The same returns as to the maintenance of rails account; and the same returns as to a maintenance of bridges account, also as to any other items of maintenance, and as to any recommendations regarding the adoption of such accounts. Presented 16th January, 1911.—*Mr. Barker*.. .. ..*Not printed.*

83*c*. Return to an order of the Senate dated 4th May, 1910, calling for the following information:—

1. Were tenders asked for, in 1908 and 1909, for the purchase of railway sleepers for the use of the Intercolonial railway, and were contracts awarded to the lowest tenderer?

2. Who had these contracts, and what is the name of each tendered, and also the amount of each tender?

3. Did the Department of Railways and Canals, in 1908 and 1909, award any contracts whatsoever for the purchase of the said sleepers and what price was paid to each contractor, and who had these contracts?

4. In 1908 and 1909, did the Department of Railways and Canals ask for tenders for the purchase of sleepers made of spruce, white, gray and yellow, as well as of birch, ash, poplar, &c.?

5. What quantity of these sleepers, for each kind of wood, was accepted and paid for in 1908 and 1909, and does the department propose to continue the system of purchasing these kinds of wood?

6. Who bought these sleepers of spruce, birch, ash, poplar, &c., and who gave the orders to receive these kinds of sleepers, and who received them and stamped them for the Intercolonial railway?

7. In 1909, did the department ask for tenders for sleepers of cedar, cyprus and hemlock? If so, who had these contracts and were these contracts granted to the lowest bidders, and what quantities were actually furnished by each contractor?

8. What quantity of sleepers has been furnished up to this date—

(*a*) by the contractors for New Brunswick; and

(*b*) by the contractors for Nova Scotia and for the province of Quebec, respectively?

9. Did the government by order in council authorize Messrs. Pottinger, Burpee or Taylor of Moncton, to purchase sleepers of spruce of all kinds and dimensions, and to cause these kinds of sleepers to be distributed in the district of Quebec, and notably in the district of River du Loup and Isle Verte?

10. What price did the department pay for the sleepers of spruce, hemlock, cedar, birch and poplar, &c.? Who is the contractor therefor? Who received and inspected the said sleepers?

11. Does the department know that these sleepers are absolutely unfit to be used in a railway, and that these sleepers are at the present time distributed along the Intercolonial railway to be used upon the main track?

CONTENTS OF VOLUME 23—*Continued.*

12. How much a carload does the freight of sleepers sent from New Brunswick cost in the district of Quebec? Presented 3rd February, 1911.—*Hon. Mr. Landry.* *Not printed.*

84. Return to an order of the House of Commons, dated 11th January, 1911, for a return showing the respective quantities of each of the staple varieties of fish landed by Canadian Atlantic fishermen yearly, since 1870, and the respective yearly values thereof. Presented 16th January, 1911.—*Mr. Jameson*.. .. ..*Not printed.*

85. Return to an order of the House of Commons, dated 7th December, 1910, for a copy of all letters, telegrams, correspondence, resolutions, memorials, reports, and all other papers in the possession of the government, not already brought down, regarding otter, beaver, or steam trawling, and the operations of the trawlers *Wren* and *Coquette* in the waters of the Northumberland strait, or elsewhere, in Nova Scotia. Presented 16th January, 1911.—*Mr. Chisholm (Antigonish)*.. .. ..*Not printed.*

86. Return to an order of the House of Commons, dated 7th December, 1910, for a return showing the revenue of the post offices of Acton Vale, Upton and St. Pie, in the county of Bagot, province of Quebec, since the year 1903 up to 1910 inclusively. Presented 17th January, 1911.—*Mr. Monk*.. .. ..*Not printed*

86*a*. Return to an order of the House of Commons, dated 16th January, 1911, for a copy of all instructions or communications from the Department of Public Works or any officer thereof, or the minister of public works, to the chief architect, or any other architect, with respect to the preparation of plans for the construction of a post office building at Parrsboro, Nova Scotia, and all other post office buildings or public buildings to be used wholly or in part by the Post Office Department, for which votes have been passed during the period from 1st January, 1908, to 31st December, 1910. Presented 20th April, 1911.—*Mr. Rhodes*.. .. ..*Not printed.*

87. Return to an address of the Senate dated 22nd April, 1910, for:—

1. Copies of all orders in council or of every order of the Department of Justice and of the Department of Public Works, and of all the correspondence exchanged between the government, the Departments of Justice and Public Works, the Bank of Montreal, the firm of Carrier & Lainé, of Lévis, and all other persons, on the subjects of—

(*a*) The acquisition by the government of the property of the firm of Carrier & Lainé, at the time of the sale thereof by the sheriff in 1908;

(*b*) the subsequent expropriation, for purposes of public utility, of the same property, which had fallen into the hands of the bank of Montreal;

(*c*) its definite purchase from the Bank of Montreal by the government;

(*d*) the appointment of an agent to represent the government at the sale by the sheriff;

(*e*) the appointment of experts for proceeding with the expropriation of the lands in question;

2. Copies of all reports submitted, directly or indirectly, to the government, or in its possession, by the experts hereinbefore mentioned, or by the arbitrators to whom the Bank of Montreal and the firm of Carrier & Lainé had submitted their differences, or by the various advocates or agents acting in the name and in the interests of the government.

3. Copies of the various contracts entered into between La Banque du Peuple and the People's Bank of Halifax in 1905, between the government and the bank of Montreal, in 1909, between the government and Mr Ernest Cann, who had become the

CONTENTS OF VOLUME 23—*Continued.*

lessee of the government, for a period of thirty years, of the lands and buildings formerly the property of Carrier & Lainé.

4. Copies of all documents whatsoever and of a correspondence relating to the various transactions aforesaid, and also a statement showing all the sums of money paid by the government with respect to such transactions, with the names of the persons to whom such sums were paid, and the amounts paid to each of them, and for what particular object. Presented 11th January, 1911.—*Hon. Mr. Landry.*

Not printed.

87*a*. Supplementary return to an address of the Senate dated 22nd April, 1910, for:—

1. Copies of all orders in council or of every order of the department of justice and of the department of public works, and of all the correspondence exchanged between the government, the department of justice and public works, the bank of Montreal, the firm of Carrier & Lainé, of Lévis, and all other persons, on the subject of—

(*a*) The acquisition by the government of the property of the firm of Carrier & Lainé, at the time of the sale thereof by the sheriff in 1908;

(*b*) the subsequent expropriation, for purposes of public utility, of the same property, which had fallen into the hands of the Bank of Montreal;

(*c*) its definite purchase from the bank of Montreal by the government;

(*d*) the appointment of an agent to represent the government at the sale by the sheriff;

(*e*) the appointment of experts for proceeding with the expropriation of the lands in question;

2. Copies of all reports submitted, directly or indirectly, to the government, or in its possession, by the experts hereinbefore mentioned, or by the arbitrators to whom the bank of Montreal and the firm of Carrier & Lainé had submitted their differences, or by the various advocates or agents acting in the name and in the interests of the government.

3. Copies of the various contracts entered into between La Banque du Peuple, and the People's Bank of Halifax in 1905, between the government and the bank of Montreal, in 1909, between the government and Mr. Ernest Cann, who had become the lessees of the government, for a period of thirty years, of the lands and buildings formerly the property of Carrier & Lainé.

4. Copies of all documents whatsoever and of all correspondence relating to the various transactions aforesaid, and also a statement showing all the sums of money paid by the government with respect to such transactions, with the names of the persons to whom such sums were paid, and the amounts paid to each of them, and for what particular object. Presented 18th January, 1911.—*Hon. Mr. Landry.*

Not printed.

87*b*. Further supplementary return to an address of the Senate dated 22nd April, 1910, for—

1. Copies of all orders in council or of every order of the Department of Justice and of the Department of Public Works, and of all the correspondence exchanged between the government, the Departments of Justice and Public Works, the Bank of Montreal, the firm of Carrier & Lainé, of Lévis, and all other persons, on the subjects of—

(*a*) The acquisition by the government of the property of the firm of Carrier & Lainé, at the time of the sale thereof by the sheriff in 1908;

(*b*) the subsequent expropriation, for purposes of public utility, of the same property, which had fallen into the hands of the bank of Montreal;

(*c*) its definite purchase from the Bank of Montreal by the government;

CONTENTS OF VOLUME 23—*Continued.*

(*d*) the appointment of an agent to represent the government at the sale by the sheriff;

(*e*) the appointment of experts for proceeding with the expropriation of the lands in question;

2. Copies of all reports submitted, directly or indirectly, to the government, or in its possession, by the experts hereinbefore mentioned, or by the arbitrators to whom the Bank of Montreal and the firm of Carrier & Lainé had submitted their differences, or by the various advocates or agents acting in the name and in the interests of the government.

3. Copies of the various contracts entered into between La Banque du Peuple and the People's Bank of Halifax in 1905, between the government and the Bank of Montreal in 1909, between the government and Mr. Ernest Cann, who had become the lessee of the government, for a period of thirty years, of the lands and buildings formerly the property of Carrier & Lainé.

4. Copies of all documents whatsoever and of all correspondence relating to the various transactions aforesaid, and also a statement showing all the sums of money paid by the government with respect to such transactions, with the names of the persons to whom such sums were paid, and the amounts paid to each of them, and for what particular object. Presented 27th January, 1911.—*Hon. Mr. Landry.*

Not printed.

87*c*. Supplementary return to an address of the Senate dated 22nd April, 1910, for copies:—

1. Copies of all orders in council or of every order of the Department of Justice and of the Department of Public Works; and of all the correspondence exchanged between the government, the Departments of Justice and Public Works, the Bank of Montreal, the firm of Carrier & Lainé, of Lévis, and all other persons, on the subjects of—

(*a*) The acquisition by the government of the property of the firm of Carrier & Lainé, at the time of the sale thereof by the sheriff in 1908;

(*b*) the subsequent expropriation, for purposes of public utility, of the same property, which had fallen into the hands of the bank of Montreal;

(*c*) its definite purchase from the Bank of Montreal by the government;

(*d*) the appointment of an agent to represent the government at the sale by the sheriff;

(*e*) the appointment of experts for proceeding with the expropriation of the lands in question;

2. Copies of all reports submitted, directly or indirectly, to the government, or in its possession, by the experts hereinbefore mentioned, or by the arbitrators to whom the Bank of Montreal and the firm of Carrier & Lainé had submitted their differences, or by the various advocates or agents acting in the name and in the interests of the government.

3. Copies of the various contracts entered into between La Banque du Peuple and the People's Bank of Halifax in 1905, between the government and the Bank of Montreal in 1909, between the government and Mr. Ernest Cann, who had become the lessee of the government, for a period of thirty years, of the lands and buildings formerly the property of Carrier & Lainé.

4. Copies of all documents whatsoever and of all correspondence relating to the various transactions aforesaid, and also a statement showing all the sums of money paid by the government with respect to such transactions, with the name of the persons to whom such sums were paid, and the amounts paid to each of them, and for what particular object. Presented 7th February, 1911.—*Hon. Mr. Landry.*

Not printed.

CONTENTS OF VOLUME 23—*Continued.*

87*d* Return to an order of the Senate dated 9th March, 1911, for a return of copy of the contract entered into between the Bank of Montreal and the People's Bank of Halifax, in 1905, in connection with the financial situation and with the obligations of the firm of Carrier-Laine, a copy of which contract was handed over to the government at the time of the financial transactions concluded between the Bank of Montreal and the government in 1909. Presented 4th April, 1911.—*Hon. Mr. Landry.*
Not printed.

88. Return to an address of the Senate dated 24th November, 1910, for copies of all orders in council, memoranda or other correspondence respecting the resignation of the present Lieutenant Governor of the province of Quebec, the apopintment of his successor, the application for leave of absence, and the appointment of an administrator during the absence from the country of His Honour Sir Pantaleon Pelletier. Presented 11th January, 1911.—*Hon. Mr. Landry*.. .. ..*Not printed.*

88*a*. Return to an address of the Senate dated 8th February, 1911, for a copy of the order in council extending, for a period of two months, the leave of absence already obtained by Sir Pantaleon Pelletier, together with copy of all the correspondence on the subject between the government, His Honour the Lieutenant Governor of the province of Quebec, and the present administrator of the said province. Presented 14th February, 1911.—*Hon. Mr. Landry*.. .. ..*Not printed.*

89. Return to an order of the House of Commons, dated 16th January, 1911, for a copy of all correspondence, letters, telegrams, reports and papers of every description between the liquidators of the Charing Cross Bank or of A. W. Carpenter or anyone on their behalf, and any member of the government, or official thereof, regarding the affairs of the Atlantic, Quebec and Western railway, the Quebec Oriental railway, or the new Canadian Company, limited. Presented 18th January, 1911.—*Mr. Ames.*
Not printed.

90. Return to an order of the House of Commons, dated 14th December, 1910, for a return showing how many wireless telegraph stations are owned by the government where are they located, the cost of each, and the revenue derived from each; what stations are leased, to whom they are leased, the amount of rental received each year and the period covered by said lease. Presented 18th January, 1911.—*Mr. Armstrong.*
Not printed.

91. Return to an order of the House of Commons, dated 15th March, 1910, for a return showing the names of all persons who have been fined for breach of fisheries regulations in the coast waters of the counties of Pictou and Cumberland, Nova Scotia, and Westmorland, New Brunswick, during the years 1907, 1908 and 1909, together with a full statement of the penalties inflicted, moneys collected, and fines or portion thereof remitted, if any, in each case. and for a copy of all instructions issued, reports, correspondence and documents relating in any manner thereto. Presented 18th January, 1911.—*Mr. Rhodes*.. .. ..*Not printed.*

91*a*. Return to an order of the House of Commons, dated 11th January, 1911, for a return showing the names of all persons who have been fined for breach of fishery regulations in the coast waters of Prince Edward Island since the year 1900 up to this date, together with a statement of the penalties inflicted, moneys collected, and fines or portions thereof remitted, in each case; and for a copy of all instructions issued, reports, correspondence and documents relating in any manner thereto. Presented 6th March, 1911.—*Mr. Fraser*.. .. ..*Not printed.*

CONTENTS OF VOLUME 23—*Continued.*

92. Return to an order of the House of Commons, dated 16th January, 1911, for a copy of the mailing list, and names of all parties to whom the Department of Labour mailed or otherwise sent copies of the *Labour Gazette* during the year 1910, and of the names of all correspondents that report to the department on labour topics for the purposes of the *Labour Gazette.* Presented 18th January, 1911.—*Mr. Currie (Simcoe).*
Not printed.

93. Return to an order of the House of Commons, dated 7th December, 1910, for a copy of all correspondence and other papers and documents that have passed between the government and any party or parties during the past year in connection with the dredging of the Napanee river; also any instruction given by the minister in connection therewith? Presented 18th January, 1911.—*Mr. Wilson (Lennox and Addington).. .. .. .

CONTENTS OF VOLUME 23—*Concluded.*

94*a*. Return to an order of the House of Commons, dated 26th January, 1911, for a return giving the names of the lighthouse keepers on the St. Lawrence, between Quebec and Montreal, since the 12th April, 1887, and what yearly salary has been paid them respectively since that date. Presented 27th February, 1911.—*Mr. Blondin.*
Not printed.

95. Return to an address of the House of Commons, dated 5th December, 1910, a copy of a Report by Mr. W. T. R. Preston, Commissioner of Trade and Commerce in Holland *re* the establishment of a Netherland loan company in Canada; of all communications between the Department of Trade and Commerce and any other department of the government and Mr. Preston on the subject matter of this report; a copy of all correspondence between Mr. Preston and any person or persons in Holland regarding proposed operations of a Dutch Loan Company in Canada, and a copy of correspondence or communications of any nature whatsoever between the government or the department with any persons relating to this question. Presented 19th January, 1911.—*Mr. Monk*.. .. .. .

CONTENTS OF VOLUME 24—*Continued.*

96*a*. Return to an order of the House of Commons, dated 7th December, 1910, for a copy of all applications, correspondence, and other documents in reference to sections 11, 12, 14, 22 24, 28, 30, 32, 34, and 36 in township 10, range 22, west of the 4th meridian. Presented 1st February, 1911.—*Mr. Wallace*.. .. ..*Not printed.*

96*b*. Return to an order of the House of Commons, dated 8th February, 1911, for a copy of all letters, telegrams and correspondence between the Department of the Interior or any of its officials and Mr. J. Krenzer, or their solicitor, or one Mr. Wolf, and of all reports of the officials of the said department respecting the south half section 28, township 27, range 18, west of the 2nd principal meridian, and also all correspondence, letters and telegrams between the department and one Thomas Greenway or his brother respecting the said lands; and all correspondence between the department and its officials respecting the said lands; and all papers, reports, correspondence and documents put in the files of the department, since the 1st of April, in relation to the dispute between said Krenzer and said Greenway. Presented 22nd February, 1911.—*Mr. Staples*.. .. ..*Not printed.*

97. Minutes of conference held at Washington the 9th, 10th, 11th and 12th January, 1911, as to the application of the award delivered on the 7th September, 1910, in the North Atlantic coast fisheries arbitration to existing regulations of Canada and Newfoundland. Presented 19th January, 1911. by Sir Allen Aylesworth.
Printed for both distribution and sessional papers.

97*a*. Copy of order in council approved by His Excellency the Governor General in Council on the 21st January, 1911, relating to changes in the fishery regulations under section 54 of "The Fisheries Act," chapter 45 of the revised statutes of Canada, 1906, in conformity to the agreement made at the conference held at Washington, January, 1911 Also dspatch from Mr. Bryce to Lord Grey. Presented 25th January, 1911, by Hon. L. P. Brodeur... .. ..*Printed for both distribution and sessional papers.*

97*b*. (1) Copy of Hague Tribunal Award concerning Atlantic fisheries given 7th September, 1910;
(2) Extracts from the special fishery regulations for the province of Quebec;
(3) Protocol 30 containing statements of the acts of Newfoundland and Canada objected to by the United States authorities.
On motion of Mr. Brodeur, it was ordered, That Rule 74 be suspended, and that the foregoing papers in connection with the "Hague Tribunal Award," be printed forthwith, and put under the same cover as the documents the printing of which was ordered at the sitting of the House on the 25th January, 1911. Presented 27th January, 1911, by Hon. L. P Brodeur.
Printed for both distribution and sessional papers.

98. Return to an order of the House of Commons, dated 11th January, 1911, for a copy of all memorials, petitions and requests received by the government since last session advocating the enlargement of the Welland canal, as well as all memorials, petitions, resolutions, &c., favouring the construction of the Montreal and Georgian Bay canal. Presented 20th January, 1911.—*Mr. Hodgins*.. .. ..*Not printed.*

98*a*. Return to an order of the House of Commons, dated 11th January, 1911, for a copy of the lease made between the government and the Canadian Light and Power Company relating to the Beauharnois canal. Presented 20th January, 1911.—*Mr. Lortie.*
Not printed.

CONTENTS OF VOLUME 24—*Continued.*

98*b*. Return to an order of the House of Commons, dated 23rd January, 1911, for a return showing in detail:—1. All sums paid by the concessionaires or grantees of the Beauharnois canal as rental or royalties upon the rights conveyed to them by the Crown on the Beauharnois canal, or paid by their assigns in the enjoyment of the said rights, since the concession.

2. Of all sums paid or expended by the government upon the said canal since the date of the said concession.

3. Of all sums actually due the Crown by the grantees or assigns for the use of the said canal or in connection therewith. Presented 7th February, 1911.—*Mr. Monk.*
Not printed.

98*c*. Supplementary return to an order of the House of Commons, dated 11th January, 1911, for a copy of all memorials, petitions and requests received by the government since last session advocating the enlargement of the Welland canal, as well as all memorials, petitions, resolutions, &c., favouring the construction of the Montreal and Georgian Bay canal. Presented 10th February, 1911.—*Mr. Hodgins*.. ..*Not printed.*

98*d*. Return to an order of the House of Commons, dated 1st February, 1911, for a copy of all leases, agreements and contracts made with any person, persons, company or corporations, granting by way of lease or otherwise, any water powers on or along the Trent Valley canal; together with any correspondence in connection with same. Presented 9th March, 1911.—*Mr. Roche*.. .. ..*Not printed.*

98*e*. Return to an address of the House of Commons, dated 23rd January, 1911, for a copy of all correspondence concerning the lease or alienation of the Beauharnois canal, of all reports called for by the government and made concerning the said alienation by experts, officers of the departments or others, of all orders in council respecting said alienation and of the deed or deeds between the Crown and the concessionaires embodying the said lease or alienation and respecting also any transfers of their rights and privileges by the original grantees. Presented 14th March, 1911.—*Mr. Monk*.. .. ..*Not printed.*

99. Return to an order of the House of Commons, dated 12th December, 1910, for a statement showing the amounts paid by the several government departments since 1st January, 1908, to the following law firms, or to any member thereof, and what has been in each case the nature of the service rendered; Messrs. Dandurand, Hibbard & Company, Montreal; Stewart, Cox & McKenna, Montreal; Smith, Markay & Company, Montreal; Hibbard, Boyer & Gosselin, Montreal. Presented 23rd January, 1911.—*Mr. Reid (Grenville)*.. .. ..*Not printed.*

100. Return to an order of the House of Commons, dated 14th December, 1910, for a return showing the cost of the Senate of Canada for each year since the fiscal year 1896. under the headings of number of senators, indemnity, travelling expenses, printing, staff, and contingencies. Presented 23rd January, 1911.—*Hon. Mr. Foster.*
Not printed.

101. Return to an order of the House of Commons, dated 16th January, 1911, for a return showing the names of the United States consuls or consular officers in the Dominion, the districts over which each has consular authority, the scale of fees which is exacted by them for certification of exports to the United States and the number of certified lots of goods exported under certificate during the year 1910. Presented 24th January, 1911.—*Mr. Rhodes*.. .. ..*Not printed.*

CONTENTS OF VOLUME 24—*Continued.*

102. Return to an order of the House of Commons, dated 7th December, 1910, for a copy of all customs entries made at Vancouver, British Columbia, for goods entered free of duty by each of the following parties during each of the years 1901, 1902, 1903, 1904, 1905, 1906, 1907, 1908, 1909 and 1910:—Robert Kelly, by himself, agent, or broker for him; Kelly. Douglas & Company, or agent, or broker, for them; and by any or all of the departments of the Dominion government; also by any other person, firm or firms, or broker, having been allowed to make free entry at Vancouver, British Columbia, during above years, declared as for supply to the Dominion government. Presented 24th January, 1911.—*Mr. Barnard*.. .. ..*Not printed.*

102*a*. Return to an order of the House of Commons, dated 23rd January, 1911, for a return showing the average value for duty in 1896 and 1910, respectively, of the unit of each article or commodity enumerated in the schedules of the Customs Act, on which an ad valorem duty was payable together with the rate of duty, the amount on which duty was paid, and the amount of duty paid for each year, with the totals, respectively. Presented 13th February, 1911.—*Hon. Mr. Foster*.. .. ..*Not printed.*

103. Return to an order of the House of Commons, dated 7th December, 1910, for a return showing the names, respective ages, when appointed, and pay received, by the sessional employees of the House of Commons. Presented 25th January, 1911.—*Mr. Sproule*.. .. ..*Not printed.*

103*a*. Return to an order of the House of Commons, dated 13th February, 1911, for a return showing the names and addresses of all sessional employees of the House of Commons, beginning with the session immediately subsequent to the elections of 1896, and for each year succeeding, to and including the present session, their duties in each case, their home addresses, their salaries, their transfers in each and every case to either other appointments of the sessional staff or to permanent employment in any department, the dates of each such appointment or transfer, upon whose recommendation each such appointment was made, their dismissals, if any, and the reasons therefor. Presented 28th March, 1911.—*Mr. Sharpe (Ontario)*.. .. .. ..*Not printed.*

104. Return to an order of the House of Commons, dated 5th December, 1910, for a return showing the date of the opening and closing of parliament for each year from 1896 to 1910, and the number of days the House and Senate was in session for each of these years. Presented 27th January, 1911.—*Hon. Mr. Foster*.. .. ..*Not printed.*

105. Return to an order of the House of Commons, dated 23rd January, 1911, for a copy of all letters, telegrams, correspondence, petitions and communications referring in any manner to the establishment or maintenance of the mail route from Athol post office to South Athol, county of Cumberland, N.S Presented 27th January, 1911.—*Mr. Rhodes*.. .. ..*Not printed.*

106. Return to an order of the House of Commons, dated 11th January, 1911, for a copy of all correspondence, telegrams or memoranda had between this government, or any member thereof, and the provincial government of Alberta and Saskatchewan, or either of them, or any of their members, in reference to securing control by such provincial governments of the lands, timber, water powers, coal and other minerals, or any of the natural resources which exist within the respective boundaries of said provinces. Presented 27th January, 1911.—*Mr. Herron*.. .. ..*Not printed.*

106*a*. Return to an order of the House of Commons, dated 13th February, 1911, for copies of any correspondence between the government of the Dominion, or any member thereof, and the provincial governments of Alberta and Saskatchewan, or either of

CONTENTS OF VOLUME 24—*Continued.*

them, or any of their members, in reference to securing control by such provincial governments of the lands, timber, water powers, coal and other minerals, or any of the natural resources which exist within the respective boundaries of said provinces, other than school lands. Presented 20th February, 1911.—*Mr. Lake.. ..Not printed.*

107. Return to an order of the House of Commons, dated 23rd January, 1911, for a copy of all correspondence between the Minister of Justice and the Attorney General of Nova Scotia in respect to the proposed change in the constitution of the Admiralty Court for that province. Presented 30th January, 1911.—*Mr. MeKenzie.. .. .. Not printed.*

108. Return to an address of the House of Commons, dated 5th December, 1910, for a copy of the proclamation of the Governor in Council naming a day for the coming into force of an Act intituled "An Act to amend the Railway Act, 1903," chapter 31 of the Statutes of Canada of 1904 as provided for by Section 2 of that Act. Presented 30th January, 1911.—*Mr. Lennox.. .. ..Not printed.*

109. Return to an address of the House of Commons, dated 11th January, 1911, for a statement giving a concise history of the negotiations in regard to reciprocal trade carried on since 1900 between the governments of Canada and of the Australian Commonwealth, together with a copy of official telegrams upon the same subject exchanged between the two governments, or between the official representatives thereof, since the Imperial Conference of 1907. Presented 31st January, 1911. —*Mr. Ames.. .. ..Not printed.*

109*a*. Tariff relations between the United States and the Dominion of Canada, 1911. Presented 1st February, 1911, by Hon. W. S. Fielding.. .. ..*Not printed.*

109*b*. Tariff relations between the United States and the Dominion of Canada, correspondence and statements, 1911. Presented 6th February, 1911, by Hon. W. S. Fielding. *Printed for both distribution and sessional papers.*

109*c*. Return to an order of the House of Commons, dated 27th February, 1911, for a return showing respectively, the total trade, the imports, the exports for each year from 1846 to 1876, both inclusive, between the British North American possessions, except Newfoundland, and the United Kingdom, the United States of America and other countries respectively. Presented 14th March, 1911.—*Mr. Borden.. .. ..Not printed.*

110. Return to an order of the House of Commons, dated 16th January, 1911, for a copy of all correspondence between the Finance Department, or any of its officers ,or any members of the government, and any persons or corporotions with reference to the incorporation of the Farmer's Bank, or to circumstances in connection therewith. Presented 1st February, 1911.—*Hon. Mr. Foster.. .. ..Not printed.*

110*a*. Return to an order of the House of Commons, dated 23rd January, 1911, for a copy of all correspondence between the government or any member thereof, or any official of the Department of Finance, and any person or association, with reference to the conduct and affairs of the Farmer's Bank since the date of its organization. Presented 1st February, 1911.—*Hon. Mr. Foster.. .. ..Not printed.*

110*b*. Return to an order of the House of Commons, dated 23rd January, 1911, for a copy of the full report and finding of the curator of the Farmer's Bank, up to the time of his appointment as liquidator of the same by the shareholders for the requisition of which, authority is given to the Minister of Finance by Section 122 of the Bank Act. Presented 1st February, 1911.—*Hon. Mr. Foster.*
Printed for both distribution and sessional papers.

CONTENTS OF VOLUME 24—*Continued.*

110*c*. Return to an address of the House of Commons, dated 16th January, 1911, for a copy of all applications, petitions, letters, telegrams and other documents and correspondence, and all orders in council and certificates, relating to or connected with the establishment of the Farmer's Bank of Canada and its operations. Presented 1st February, 1911—*Mr. Taylor (Leeds)*.

Printed for both distribution and sessional papers.

111. Return to an order of the House of Commons, dated 7th December, 1910, for a return showing the total cost to date of wharves at North Bay, Burks Falls and Maganatawan, Ontario; the name, date of appointment and salary of wharfinger in each case; the schedule of fees charged to public or others for use of wharf in each case; and a detailed statement of receipts for each wharf for the years 1907, 1908, 1909, giving name of party paying and for what. Presented 2nd February, 1911.—*Mr. Arthurs.*

Not printed.

112. Return to an order of the House of Commons, dated 23rd January, 1911, for a copy of all correspondence since the 1st January, 1909, with the Department of Justice or any officers of that department, making or supporting request for increase of pay to employees of the penitentiary at New Westminster; and of all reports or recommendations in that connection made by any officer of the department. Also a copy of all reports made during the period indicated, by the grand jury at New Westminster with reference to the conditions at said penitentiary. Presented 3rd February, 1911. *Mr. Taylor (New Westminster)*.. .. ..*Not printed.*

113. Report of proceedings between the Farmers' Delegation and the Prime Minister and members of the government held in the House of Commons chamber on the 16th December, 1910, with corresponding preliminary to the meeting. Presented 6th February, 1911, by Rt. Hon. Sir Wilfrid Laurier.

Printed for both distribution and sessional papers.

113*a*. Report of proceedings of the deputation of fruit and vegetable growers and the Prime Minister and members of the government held in the House of Commons on the tenth February instant. Presented 21st February, 1911, by Rt. Hon. Sir Wilfrid Laurier.

Printed for both distribution and sessional papers.

113*b*. Memorandum presented by the meat packers of Ontario and Quebec at a meeting held with members of the government on Monday, February 13, 1911. Presented 21st February, 1911, by Rt. Hon. Sir Wilfrid Laurier.

Printed for both distribution and sessional papers.

114. Return to an address of the Senate dated 12th January, 1911, for a copy of the order in council appointing His Honour Judge Jetté, administrator of the province of Quebec during the absence of Sir Pantaléon Pelletier, as well as a copy of any instruction whatsoever in connection with such appointment. Presented 19th January, 1911.—*Hon. Mr. Landry*.. .. ..*Not printed.*

115. Return to an address of the Senate dated 17th January, 1911, calling for dates of publication and distribution to members of parliament of the English and French editions of the debates of the Senate and of the House of Commons from the year 1900 to date. Presented 25th January, 1911.—*Hon. Mr. Landry*.. .. .. ..*Not printed.*

115*a*. Return to an order of the Senate dated 17th January, 1911, for a copy of a return showing, year by year, from 1900, up to the present day, the date of the publication and distribution to members of parliament:—

1. Of the English edition of the Journals of the Senate.

CONTENTS OF VOLUME 24—*Continued.*

2. Of the French edition of the same.
3. Of the English edition of the Journals of the House of Commons.
4. Of the French edition of the same. Presented 14th February, 1911.—*Hon. Mr. Landry*.. .. ..*Not printed.*

115*b*. Return to an order of the Senate dated 17th January, 1911, for a copy of a return showing, year by year, from 1900, up to the present day, the date of the publication and distribution to members of parliament:—
1. Of the English edition of the Jounrnals of the Senate.
2. Of the French edition of the same.
3. Of the English edition of the Journals of the House of Commons.
4. Of the French edition of the same. Presented 14th February, 1911.—*Hon. Mr Landry*.. .. ..*Not printed.*

116. Return to an address of the Senate dated 17th January, 1911, for a statement of the number of applications for and number of divorces granted by the parliament of Canada from 1894 to 1910 inclusive. Presented 24th January, 1911.—*Hon. Mr. McSweeny*.. .. ..*Not printed.*

117. Return to an address of the Senate dated 22nd April, 1910, showing the expenses incurred, and the date of each of the payments made by the government for the electric installation in each of the rooms of the immigration officer at Quebec during the years 1908 and 1909. Presented 31st January, 1911.—*Hon. Mr. Landry.*
1911.—*Mr. Lennox*.. .. ..*Not printed.*

118. Return to an order of the House of Commons, dated 16th January, 1911, for a return showing what amount the government paid Mr. F. H. Chrysler, K.C., for professional services between May, 1896, and 31st March, 1909, and what amount during the financial year ending 31st March, 1910; what amount since 31st March, 1910; what amount is now due by the government to Mr. Chrysler; and in what transactions or cases Mr. Chrysler is now engaged in for the government. Presented 6th February. 1911.—*Mr. Blain*.. .. ..*Not printed.*

119. Return to an order of the House of Commons, dated 25th January, 1911, for a statement showing:—
1. How much wheat was exported from Canada for the crop years ending 31st August, 1908, 1909 and 1910.
2. How much wheat was exported from Canada through United States ports during 1908, 1909 and 1910, naming said ports, and amount exported from each port.
3. How many terminal grain elevators are there at Port Arthur and Fort William, and what is the name of each.
4. How much grain was shipped through each elevator at Port Arthur and Fort William during each year 1908, 1909 and 1910, and what are the names of the elevators respectively.
5. How much wheat was exported from Canada during each crop year 1908, 1909 and 1910, not passing through the terminal elevators at Port Arthur and Fort William.
6. How many men are employed by the government in connection with the terminal elevators at Port Arthur and Fort William, and what is the total salary paid the men per year. Presented 7th February, 1911.—*Mr. Schaffner.*
Printed for sessional papers.

120. Return to an order of the House of Commons, dated 18th January, 1911, for a return showing how many appointments have been made by the government from the con-

CONTENTS OF VOLUME 24—*Continued.*

stituency of South Grey since 1904, their names, to what positions appointed, and the salary or remuneration in each case. Presented 9th February, 1911.—*Mr. Blain.*
Not printed.

120*a*. Return to an order of the House of Commons, dated 25th January, 1911, for a return showing the full names of the permanent and temporary employees appointed at Quebec since the first of January, 1905, in the following departments: Post Office, Customs, Inland Revenue and Public Works; the age and place of residence of each of these employees at the time of their appointment, the dates and nature of changes, promotions or increases of salary granted them since their appointment. Presented 15th February, 1911.—*Mr. Lachance*.. .. ..*Not printed.*

120*b*. Supplementary return to an order of the House of Commons, dated 18th January. 1911, for a return showing how many appointments have been made by the government from the constituency of South Grey since 1904, their names, to what positions appointed, and the salary or remuneration in each case. Presented 20th February, 1911.—*Mr. Blain*.. .. ..*Not printed.*

120*c*. Return to an order of the House of Commons, dated 23rd January, 1911, for a return showing how many appointments have been made by the government from the constituency of Wentworth since 1904, together with their names, to what positions appointed, and the salary or remuneration in each case. Presented 27th February, 1911.—*Mr. Blaine*.. .. ..*Not printed.*

121. Return to an address dated the 24th November, 1910, for copies of all orders in council, of all decisions rendered by the Military Council or some of its members, and of all correspondence concerning the guard and escort of honour applied for in August and September last on the occasion of the visit in Quebec and Montreal of His Excellency Cardinal Vannutelli. Presented 10th February, 1911.—*Hon. Mr. Landry.*
Not printed.

122. Return to an address of the Senate dated 1st February, 1911, calling for copies of petitions presented by the Quebec Board of Trade, or of the resolutions adopted by it during November and December last, and transmitted to the Right Honourable the Prime Minister of this country, together with all correspondence exchanged on the subject of these resolutions. Presented 7th February, 1911.—*Hon. Mr. Landry.*
Not printed.

123. Return to an order of the House of Commons, dated 11th January, 1911, for a copy of all letters, agreements, telegrams, or memoranda with respect to the application for water-power license on the Elbow river west of Calgary. Presented 13th February, 1911.—*Mr. McCarthy*.. .. ..*Not printed*

123*a*. Return to an order of the House of Commons, dated 18th January, 1911, for a copy of all correspondence had between the government, or any member thereof, and the Municipal Council of the City of Calgary, or any member thereof, regarding the conserving of the water flow of the Elbow river above the intake established by the said city in connection with their water works system. Presented 16th February, 1911.—*Mr. McCarthy*.. .. ..*Not printed.*

124. Return to an order of the House of Commons, dated 26th January, 1911, for a statement showing the amounts paid by the various departments of the government to the Sherwin-Williams Company for paints and other goods in the years 1906, 1907, 1908, 1909 and 1910. Presented 14th February, 1911.—*Mr. Boyce*.. .. .. ..*Not printed.*

CONTENTS OF VOLUME 24—*Continued.*

125. Return to an order of the Senate dated 18th January, 1911, showing:—

1. In 1884, did a federal statute (47 Vict., ch. 78) confirm the legal existence of the Quebec Bridge Company?

2. In 1901, did not another federal statute (1 Edward VII, ch. 81), give birth to a company known as "The Quebec Terminal and Railway Company"?

3. In 1903, after having been, for two years, completely distinct from one another, did not the two above-mentioned companies amalgamate, constituting a new company, to which a federal statute (3 Edward VII, ch. 177) gave the name of "The Quebec Bridge and Railway Company"?

4. Was it not during the same year 1903, that were signed between the Quebec Bridge and Railway Company, the agreements which gave to the government the power to substitute itself to the bridge company and to complete at a certain date the colossal enterprise of the construction of a bridge over the St. Lawrence near Quebec?

5. Was not this substitution of the government to a private company confirmed by federal legislation in 1908 at the time of the adoption by parliament of chapter 59 of 7-8 Edward VII?

6. Under the said legislation, has the government passed an order in council enacting that it take hold of the whole of the undertaking, assets, properties and concessions of the said Quebec Bridge and Railway Company?

7. When was this order in council passed?

8. What composes the whole of the undertaking, assets, properties and concessions of the said company mentioned in the laws?

9. Has any part of the said whole of the undertaking, assets, properties and concessions of the company been transferred to the Grand Trunk Pacific Railway Company, or to the National Transcontinental Commission?

10. What was the part so transferred?

11. Does it comprise the bridge or some of the railway lines from the bridge and ending at the city of Quebec or at some place on the line of the Canadian Pacific railway, on the north, and of the Grand Trunk railway on the south of the river?

12. Are not the construction of the bridge and of the railway lines from the bridge, north and south of the St. Lawrence river, under the exclusive jurisdiction of the government who have kept the entire control thereof? Presented 14th February, 1911.—*Hon. Mr. Landry*.. .. .. *Not printed.*

125a. Return to an address of the Senate dated 22nd February, 1911, for a copy of the order in council, dated 17th August, 1908, authorizing the transfer to the government of the Quebec bridge, and of all the assets, franchises and privileges then the property of the Quebec Bridge and Railway Company. Presented 8th March, 1911.—*Hon. Mr. Landry*.. .. .. *Not printed.*

126. Return to an order of the House of Commons, dated 7th December, 1910, for a copy of all papers, reports, valuations, plans, documents, contracts, advertisements, tenders, offers, and letters, relating to the sale and disposition of the property purchased by the government for a barracks site at Toronto, and recently sold by the government, generally known as the Baby Farm or property; and more particularly, all correspondence, valuations or opinions as to the value of the said property, and as to the method of disposal thereof; and also a copy of advertisements, number of insertions, and names of papers in which same appeared, in the possession of the Department of Militia, or any other department of the government. Presented 10th February, 1911.—*Mr. Macdonell*.. .. .. *Not printed.*

CONTENTS OF VOLUME 24—*Continued.*

127. Return to an order of the Senate dated 17th January, 1911, for a return showing, in as many distinct columns:—

1. The names of all departments obliged by law to lay before parliament reports of their annual operations.

2. The date fixed by law for the laying of the said reports before parliament.

3. The date on which the said reports have been laid for the fiscal year ending 31st March, 1910, stating whether it was the English or the French edition which was so laid.

4. The date of the publication and distribution of the French edition of the said reports.

5. The title of the reports which, up to the 15th January, 1911, nine months and a half, after the fiscal year ending the 31st March, 1910, have not yet been published in French.

6. The titles of the reports which, up to the 15th January, 1911, twenty-one months and a half after the fiscal year ending the 31st March, 1909, have not yet been published in French. Presented 16th February, 1911.—*Hon. Mr. Landry.. ..Not printed.*

128. Return to an order of the House of Commons, dated 26th January, 1911, for a return showing the date of incorporation, a copy of the Act of incorporation, and any subsequent amendments thereto, all petitions, correspondence, applications and other papers or data asking for or relating to the grant of subsidy thereto, a copy of all contracts for construction, the subsidies granted and the several payments of the same, the dates of payment and the persons to whom cheques were issued therefor, a copy of engineer's reports and certificates on which payment was authorized in each case, the number of miles completed, the number now being operated, the number of miles still to be finished, the total cost to date and the estimated cost of completion, and the present condition of the road, in the case of the Atlantic, Quebec and Western Railway Company, the Quebec and Oriental R. R. Company and the new Canadian company. Also the shareholders, directors and officers of each of these companies, the capital subscribed and paid up by each subscriber, the amounts paid out each year to directors and officers as fees and salaries, the amount paid for promotion or other expenses, in detail, for each of the above companies. In the case of any mileage operated, the yearly revenues and working expenses. Presented 17th February, 1911.—*Hon. Mr. Foster.. .. ..Not printed.*

128*a*. Supplementary return to an order of the House of Commons, dated 23rd January, 1911, for a return showing the date of incorporation, a copy of the Act of incorporation, and any subsequent amendments thereto, all petitions, correspondence, applications and other papers for data asking for or relating to the grant of subsidy thereto, a copy of all contracts for construction, the subsidies granted and the several payments of the same, the dates of payment and the persons to whom cheques were issued therefor, a copy of engineer's reports and certificates on which payment was authorized in each case, the number of miles completed, the number now being operated, the number of miles still to be finished, the total cost to date and the estimated cost of completion, and the present condition of the road, in the case of the Atlantic, Quebec and Western Railway Company, the Quebec and Oriental R. R. Company and the new Canadian company. Also the shareholders, directors and officers of each of these companies, the capital subscribed and paid up by each subscriber, the amounts paid out each year to directors and officers as fees and salaries, the amount paid for promotion or other expenses, in detail, for each of the above expenses. In the case of any mileage operated, the yearly revenues and working expenses. Presented 17th March, 1911.—*Hon. Mr. Foster.. .. ..Not printed.*

CONTENTS OF VOLUME 24—*Continued.*

128b. Further supplementary return to an order of the House of Commons, dated 23rd January, 1911, for a return showing the date of incorporation, a copy of the Act of incorporation, and any subsequent amendments thereto, all petitions, correspondence, applications and other papers or data asking for or relating to the grant of subsidy thereto, a copy of all contracts for construction, the subsidies granted and the several payments of the same, the dates of payment and the persons to whom cheques were issued therefor, a copy of engineer's reports and certificates on which payment was authorized in each case, the number of miles completed, the number now being operated, the number of miles still to be finished, the total cost to date and the estimated cost of completion, and the present condition of the road, in the case of the Atlantic, Quebec and Western Railway Company, the Quebec and Oriental R. R. Company, and the new Canadian company. Also the shareholders, directors and officers of each of these companies, the capital subscribed and paid up by each subscriber, the amounts paid out each year to directors and officers as fees and salaries, the amount paid for promotion or other expenses, in detail, for each of the above companies. In the case of any mileage operated, the yearly revenues and working expenses. Presented 28th March, 1911.—*Hon. Mr. Foster*.. .. ..*Not printed.*

129. Return to an order of the House of Commons, dated 19th January, 1910, for a return showing in the construction of drill halls or armouries, or the leasing of sites for camps of instruction, in how many and what instances municipalities, regiments, or individuals, have contributed to the cost of the same in the way of concessions, sites, or moneys, and the amount in each case since 1904. Presented 20th February, 1911.—*Mr. Worthington*.. .. ..*Not printed.*

130. Return to an order of the House of Commons, dated 23rd January, 1911, for a copy of all correspondence with the Department of the Interior or any officer thereof in regard to half-breed scrips numbers A. 8931 and A. 9970 issued to Joseph William Malbœuf, together with a copy of all documents in any way relating to the said scrips. Presented 20th February, 1911.—*Mr. Martin (Regina)*.. .. ..*Not printed.*

130a. Return to an order of the House of Commons, dated 18th January, 1911, for a copy of all corrspondence, reports, letters, telegrams and other documents, exchanged between the Right Reverend George Holmes, D.D., of Lesser Slave Lake, or anyone on his behalf, and the Minister of the Interior, or any official or temporary employee of the government, in reference to the issue or application of half-breed scrip. Presented 22nd February, 1911.—*Mr. Ames*.. .. ..*Not printed.*

131. Return to an order of the Senate dated 9th February, 1911, for a return showing the importations by the Dominion from the United States in the year 1910 of the following commodities:—

1. Beef and live cattle. 2. Sheep. 3. Poultry. 4. Ham. 5. Pork. 6. Bacon, 7. Flour. 8. Wheat. 9. Barley.

With the value of the different articles.

Showing also the exportations from the Dominion to the United States of the corresponding products with their relative value. Presented 22nd February, 1911.—*Hon. Mr. Macdonald (B.C.)*.. .. ..*Printed for sessional papers.*

131a. Return to an order of the Senate dated 10th Februry, 1911, for a return showing in as many distinct columns, for the last five years, with an additional column containing the average thereof:—

I. The quality and value of each of the following products.—

CONTENTS OF VOLUME 24—*Continued.*

1. Live stock. 2. Pork and bacon. 3. Potatoes. 4. Eggs. 5. Butter. 6. Cheese. 7. Maple sugar. 8. Fruit. 9. Garden products. 10. Hay. 11. Wheat. 12. Flour. 13. Oats. 14. Other natural products. 15. Agricultural implements.

Of Canadian origin exported to:—(*a*) the United States; (*b*) the English market; (*c*) other countries.

II. The quantity and quality of the same articles, together with the amount of duty collected on each of them for consumption and imported from:—(*a*) the United States; (*b*) the British Isles; (*c*) other countries. Presented 14th March, 1911.—*Hon. Mr. Landry*.. .. ..*Not printed.*

132. Return to on order of the House of Commons, dated 23rd January, 1911, for a copy of all correspondence between the Department of the Interior, or any of its officers, and any other persons, respecting the timber on the Fanny Louise Irwin homestead in the District of Chilliwack, British Columbia, including any instructions to solicitors to issue a writ in Exchequer Court for cancellation of timber rights not reserved in Crown grant of the homestead. Presented 20th February, 1911.—*Mr. Taylor (New Westminster)*.. .. ..*Not printed.*

133. Return to an order of the House of Commons, dated 18th January, 1911, for a return showing the total acreage of school lands sold in the provinces of Alberta and Saskatchewan in each of the years 1906, 1907 and 1908, with the average prices realized, also a statement of sales of such lands in each said province since 1st of January, 1909, to date, giving the places at which each sale was held and date of sale; the description of the land sold; the upset price at which it was offered and the price realized; and the area of land in each township, in which these school lands are located, that was under cultivation at the time it was decided to sell the school lands therein. Presented 20th February, 1911.—*Mr. McCarthy*.. .. ..*Not printed*

134. Return to an order of the House of Commons, dated 15th December, 1909, for a copy of all papers, letters, telegrams, documents, petitions, reports and correspondence with reference to, or in any way concerning the appointment of a government weigher at Montreal. Presented 20th February, 1911.—*Mr. Armstrong*.. .. ..*Not printed.*

135. Supplementary return to an order of the House of Commons, dated 28th February, 1910, for a return showing the number of persons in the employ of each department of the government during the year 1909 under the following heads: (*a*) civil service employees at Ottawa; (*b*) civil service employees outside of Ottawa; (*c*) in stated and regular employ, but not under the Civil Service Act, giving the distinctive service of each group; (*d*) those in temporary or casual employment, giving the distinctive work of each group, and also showing the total amount paid under each head. Presented 20th February, 1911.—*Hon. Mr. Foster*.. .. ..*Not printed.*

136. Return to an order of the House of Commons, dated 30th January, 1911, for a return showing the total quantity of coal delivered to ship at Pictou, in each year during which the SS. *Stanley* has been engaged in the winter service between Prince Edward Island and Nova Scotia, and the cost thereof.

Also, statements showing the total cost of putting coal aboard; the quantity of freight handled at Pictou, and the total cost of handling such freight. Presented 21st February, 1911.—*Mr. Stanfield*.. .. ..*Not printed.*

136*a*. Return to an order of the House of Commons, dated 30th January, 1911, for a return showing the total quantity of coal delivered to ship at Pictou, in each year during which the SS. *Earl Grey* has been engaged in the winter service between Prince Edward Island and Nova Scotia, and the cost thereof.

CONTENTS OF VOLUME 24—*Continued.*

Also, statements showing the total cost of putting coal aboard; the quantity of freight handled at Pictou, and the total cost of handling such freight. Presented 21st February, 1911.—*Mr. Stanfield*.. .. ..*Not printed.*

136*b*. Return to an order of the House of Commons, dated 30th January, 1911, for a return showing the total quantity of coal delivered to ship at Pictou, in each year during which the SS. *Stanley* has been engaged in the winter service between Prince Edward Island and Nova Scotia, and the cost thereof.

Also, statments showing the total cost of putting coal aboard; the quantity of freight handled at Pictou, and the total cost of handling such freight. Presented 21st February, 1911.—*Mr. Stanfield*.. .. ..*Not printed.*

137. Return to an order of the House of Commons, dated 6th February, 1911, for a copy of the last advertisement for tenders, and the specification and contract or proposed contract for the erection of the Quebec bridge. Presented 21st February, 1911.—*Mr. Lennox*.. .. .. *Not printed.*

137*a*. Return to an address of the House of Commons, dated 5th December, 1910:—

1. For a return showing the contract between the Quebec Bridge and Railway Company and M. P. Davis, dated July 27, 1903, providing for the construction of the lines of railway connecting the Quebec bridge with the city of Quebec and with certain other railways, the tender upon which the contract was based. and the estimated cost at the time of the contract based upon the scheduled quantities and prices.

2. The agreement transferring this undertaking to the government, and of all correspondence and documents in connection therewith and of the order in council of 16th February, 1909, transferring it to the commissioners of the Transcontinental railway.

3. And stating the mileage of the lines of railway embraced in this contract.

4. The sums paid on account by the Quebec Bridge and Railway Company, and the purposes for which it was paid.

5. The amount owing or claimed by the contractor for work done or material supplied up to the time the undertaking was taken over by the government, and the date of taking it over, the amount paid or undertaken to be paid by the government to the company or its members, the estimated amount at that time required to complete the work, the amount the government or commissioners have since paid and the estimated amount yet to be paid.

6. And setting forth the reasons for taking the undertaking out of the hands of the Bridge and Railway Company and for transferring it to the commissioners.

7. Any other sums paid, allowed or assumed for or on account of this company or its members, and the account on which paid, allowed or assumed. Presented 28th March, 1911.—*Mr. Lennox*.. .. ..*Not printed.*

137*b*. Return to an address of the House of Commons, dated 6th March, 1911, for a copy of the order in council appointing, or providing for the appointment of, the engineers to prepare and determine upon plans ond specifications, and superintend the construction of the Quebec bridge, and of all instructions, correspondence, writings and documents, in connection with these appointments, including the two additional engineers; and also a copy of any subsequent orders in council, or any instructions, correspondence, &c., relating to the refusal of any of the engineers to act, or continue in office, or the retirement, or substitutions of engineers. Presented 12th April, 1911. —*Mr. Lennox*.. .. ..*Not printed.*

137*c*. Return to an order of the House of Commons, dated 10th April, 1911, for a copy of all correspondence between the Department of Labour and various labour organizations,

CONTENTS OF VOLUME 24—*Continued.*

or their officers, in connection with the Quebec bridge. Presented 20th April, 1911.—*Mr. Ames*.. .. .. .

CONTENTS OF VOLUME 24—*Continued.*

or privileges were respectively given. 5. What constitutes forfeiture. 6. What grants, leases or licenses have been forfeited. 7. The general rules and regulations, if any, applying to the giving and holding of the water-powers on this river. 8. The amount of development effected by the grantees or lessees respectively. 9. What title or interest the Dominion claims in the running water, the bed of the river, and the banks thereof. Presented 24th February, 1911.—*Mr Haggart (Winnipeg).*

Not printed.

145. Return to an order of the House of Commons, dated 5th December, 1910, for a return showing the total number of accidents on railways in Canada since 1st April. 1909, and up to date; the number of fatal accidents; the number on each railway, and the causes of the same. Also, the number of accidents on construction work, fatal or otherwise, on the Canadian Northern and the Grand Trunk Pacific railways, and the causes of the same. Presented 24th February, 1911.—*Mr. Smith (Nanaimo).*

Not printed.

146. Return to an order of the Senate dated 24th January, 1911, showing, year by year, from 1st July, 1896, up to date, the amounts paid to Mr. J. B. Laliberté, of Quebec, merchant, by each of the departments of the government of this country. Presented 24th February, 1911.—*Hon. Mr. Landry*.. .. ..*Not printed.*

147. Return to an order of the Senate dated 25th January, 1911, for the production of a statement showing, year by year, from the 1st July, 1896, up to this date, the sums of money paid to the newspaper, the *Daily Telegraph*, of Quebec, by each of the different departments of the government of this country. Presented 24th February, 1911.—*Hon. Mr. Landry*.. .. ..*Not printed.*

148. Return to an order of the Senate dated 26th January, 1911, for a return showing, year by year, since 1st July, 1896, up to date, the amounts paid to Mr. Louis Letourneau, of Quebec, or to the Quebec Preserving Company, by each of the departments of the government of this country. Presented 24th February, 1911.—*Hon. Mr. Landry.*

Not printed.

149. Return to an order of the Senate dated 27th January, 1911, for the production of a return showing, year by year, from the 1st of July, 1896, to this date, the sums of money paid to Messrs. Samson and Filion, of Quebec, merchants, by each of the different departments of the government of this country. Presented 24th February, 1911.—*Hon. Mr. Landry*.. .. ..*Not printed*

150. Return to an order of the Senate dated 27th January, 1911, for the production of a return showing, year by year, from the 1st July, 1896, to this date, the sums of money paid to Mr. C. E. Taschereau, of Quebec, notary, by each of the different departments of the government of this country. Presented 24th February, 1911.—*Hon. Mr. Landry*.. .. ..*Not printed.*

151. Return to an order of the Senate dated 27th January, 1911, for the production of a return showing, year by year, from the 1st July, 1896, to this date, the sums of money paid to Mr. George Tanguay, of Quebec, by each of the different departments of the government of this country. Presented 24th February, 1911.—*Hon. Mr. dry*.. .. ..*Not printed.*

152. Return to an order of the House of Commons, dated 6th February, 1911, for a copy of the curator's reports in the cases of all banks for which curators have been appointed. Presented 27th February, 1911.—*Hon. Mr. Foster*.. .. ..*Not printed*

CONTENTS OF VOLUME 24—*Continued.*

152. Supplementary return to an order of the House of Commons, dated 6th February, 1911. for a copy of the curators' reports in the cases of all banks for which curators have been appointed. Presented 2nd May, 1911.—*Hon. Mr. Foster*.. .. ..*Not printed.*

153. Return to an order of the House of Commons, dated 23rd January, 1911, for a copy of the by-laws, rules and regulations of the Canadian Bankers' Association as approved by the Treasury Board and now in effect. Presented 27th February, 1911.—*Hon. Mr. Foster*.. .. ..*Printed for sessional papers.*

154. Return to an order of the House of Commons, dated 30th January, 1911, for a return showing the total amount of money that has been expended on the Seybold building for alterations and repairs, or in installation of elevators, heating apparatus or other fixtures, by the government during the term of the present lease, and also under the former lease, when used for census purposes.

2. The particulars of expenditures and to whom were the several amounts paid. Presented 6th March, 1911.—*Mr. Goodeve*.. .. ..*Not printed.*

155. Return to an order of the House of Commons, dated 20th February, 1911, for a copy of all applications made by employees of the North Atlantic collieries for a conciliation board within the past six months, and of all letters, telegrams, documents, statements and other papers and documents touching the same, or having any relation thereto, including all correspondence received by the government or any department of the government from the said North Atlantic collieries or from the employees thereof touching the matter aforesaid. Presented 27th February, 1911.—*Mr. Maddin. Not printed.*

156. Return to an order of the House of Commons, dated 2nd February, 1911, for a return showing the amount of money paid for provisions, supplies, repairs, work or any other service for the year ending 31st March, 1910, to the following firms in the city of Kingston, respectively: Eliott Brothers, McKelvey & Birch, C. Livingstone & Bros., R. Crawford, James Redden & Co., R. Carson, and James Crawford. Presented 27th February, 1911.—*Mr. Edwards*.. .. ..*Not printed.*

157. Orders in council, correspondence, &c., touching any proposal or Bill to erect dams, or other similar works across the River St. Lawrence, or part of the said river, at or near the Long Sault, or in the vicinity thereof. Presented 27th February, 1911, by Rt. Hon. Sir Wilfrid Laurier.. .. ..*Printed for sessional papers.*

157. Partial return to an address of the House of Commons, dated 8th February. 1911, for a copy of all correspondence, memoranda, reports, memorials, plans, orders in council, treaties, conventions, agreements, documents and papers of every kind, touching any proposal or Bill to erect dams or other similar works across the River St. Lawrence, or part of the said river, at or near the Long Sault, or in the vicinity thereof; including all statutes of the state of New York and the United States of America relating thereto, and all Bills now before the Congress of the United States of America touching the same, and all the procedings upon all such Statutes and Bills. Presented 9th March. 1911.—*Mr. Borden*.. .. ..*Not printed.*

158. Return to an order of the House of Commons, dated 6th February, 1911, for a return giving the names of all persons receiving fishery bounties, and the amount received by each, at each of the following ports:—Bauline, Little Lorraine, Main-á-Dieu and Scaterie, in the county of Cape Breton, Nova Scotia. Presented 28th February, 1911. —*Mr. Maddin*.. .. ..*Not printed.*

CONTENTS OF VOLUME 24—*Continued.*

158*a*. Return to an order of the House of Commons, dated 16th April, 1911, for a return showing the names of all persons in the province of New Brunswick who have received fishing bounties during the year ending 31st March, 1911, with the amount received by each. Presented 2nd May, 1911.—*Mr. Daniel*.. .. ..*Not printed.*

159. Return to an order of the House of Commons, dated 20th January, 1911, for a copy of all reports, correspondence, and documents, not already brought down, including report of survey made in 1909 of the harbour of Cape John and Tatamagouche Bay, in the counties of Pictou and Colchester, in the province of Nova Scotia, relating to the route of the winter steamers between Prince Edward Island and the mainland of Canada, and suggesting or recommending a change or changes on such route, and an increase in the number of trips daily of such winter steamers; also a copy of all similar papers, not already brought down, relating to the route of the summer mail steamers between Charlottetown and the mainland of Canada, and suggesting a change in that route and an increase in the number of trips daily; and also with regard to connecting such suggested route with a point on the Intercolonial railway. Also for a copy of all similar papers, if any, relating to or suggesting the route between Cape Traverse in Prince Edward Island and Cape Tormentine in the mainland, as a route for the winter and summer steamers. Also for a copy of all reports, papers and correspondence relating to additional or improved aids to navigation of the harbour of Charlottetown and entrance thereto and in Tatamagouche bay and harbour. Presented 6th March, 1911.—*Mr. Warburton*.. .. .. ..*Not printed.*

160. Return to an address of the House of Commons, dated 20th February, 1911, for a copy of all correspondence, recommendations, orders in council, or other documents relating to the case of R. E. Curran, a railway mail clerk, who was fatally injured in an accident at Owen Sound, on the 29th May, 1908, and with regard to which application was made for a compassionate grant or allowance to his heirs or family. Presented 7th March, 1911.—*Mr. Macdonell*.. .. ..*Not printed.*

161. Return to an address of the House of Commons, dated 27th February, 1911, for a copy of all orders in council, reports, correspondence, documents and papers touching the dismissal of the sub-collector of customs at Mahone bay, Nova Scotia. Presented 13th March, 1911.—*Mr. Taylor (Leeds)*.. .. ..*Not printed.*

162. Return to an order of the House of Commons, dated 20th February, 1911, for a return showing:—1. The nature of the subsidy which has been granted to the Vancouver Dry Dock Company.

2. The nature of payment of interest or of a guarantee of such subsidy. Presented 13th March, 1911.—*Mr. Barnard*.. .. ..*Not printed.*

163. Return to an order of the House of Commons, dated 6th March, 1911, for a copy of all papers, reports of appraiser, letters and correspondence relating to the appraising and passing the customs of the vessel *Wanda*, owned by one William R. Travers, Toronto, on the 20th October, 1909. Presented 14th March, 1911.—*Mr. Sharpe (Ontario)*.. .. ..*Not printed.*

164. Statement of the affairs of the British Canadian Loan and Investment Company (Limited) for the year ended 31st December, 1910.

Also, a list of the shareholders on 31st December, 1910, in accordance with chapter 57 of 39 Victoria. Presented (Senate) 14th March, 1911, by the Hon. the Speaker.

Not printed.

CONTENTS OF VOLUME 24—*Continued.*

165. Return to an order of the House of Commons, dated 27th February, 1911, for a return showing:—

1. How many fisheries officers have been appointed in connection with the Ontario fisheries service within the last year?

2. What are their names, their rank, and the limits territorially of the jurisdiction of each?

3. What is the salary of each, and what is the length of time or duration of such appointments?

4. Do the duties of these officers in any, and in what cases duplicate the services if similar officers appointed by the Ontario legislature?

5. Has anything been done, and what, to prevent the duplication of this service?

6. What is the total revenue derived during the years 1909 and 1910 from fisheries for the province of Ontario, and what was the total expenditure?

7. What will be the total expenditure for the year 1911?

8. Is any, and what, system followed in making appointments to this service as to efficiency. Presented 17th March, 1911.—*Mr. Porter*.. .. ..*Not printed.*

165*a*. Return to an order of the House of Commons, dated 16th February, 1911, for a return showing how many wardens for the protection of fisheries were appointed in Victoria county, N.S., between July and December in the years 1906, 1907, 1909 and 1910.

2. Their names, length of service and amount paid to each. Presented 24th March, 1911.—*Mr. Maddin*.. .. ..*Not printed.*

166. Return to an order of the House of Commons, dated 23rd January, 1911, for a copy of all correspondence between the Post Office Department and any of the officials or other persons, relative to making an allowance for the transportation of letter carriers on the tramway system in New Westminster. Presented 17th March, 1911.—*Mr. Taylor (New Westminster)*.. .. ..*Not printed.*

167. Return to an address of the Senate dated 23rd February, 1911, for a copy of all the documents relating to the case of cholera reported in November last as to the Russian Said Godlieb, to the quarantining of this person, and to his detention until this date on Grosse Isle, with a history of the case. day by day, up to this date. Presented 16th March, 1911.—*Hon. Mr. Landry*.. .. .. *Not printed.*

168. Return to an address of the Senate dated 17th January, 1911, for a statement of the number of divorces granted by the parliament of Canada since 1891 to 1910 inclusive, together with the number of divorces granted by each of the courts of Nova Scotia, New Brunswick, Prince Edward Island, and British Columbia; also the population of each of those provinces according to census of 1901; and the aggregate population of Ontario, Quebec, Manitoba, and the Northwest Territories according to census in 1901. Presented 16th March, 1911.—*Hon. Mr. Power*.. .. ..*Not printed.*

169. Return to an order of the Senate dated 17th February, 1911, for a return showing the correspondence exchanged, the report made by the captain and the log kept by him relating to the trip just made by the steamer *Montcalm* in the lower St. Lawrence, the island of Anticosti and to the Baie des Sept Isles, &c. Presented 16th March, 1911.—*Hon. Mr. Landry*.. .. ..*Not printed*

170. Return to an address of the Senate dated 10th March, 1911, calling for a statement showing:—

1. Who are among the judges of the Superior Court of the province of Quebec, those whose place of residence is fixed by the commission appointing them, and what is, for each of these judges, the place so fixed.

CONTENTS OF VOLUME 24—*Continued.*

2. Who are the judges whose place of residence has been fixed or changed by order in council, and what is for each of these judges, the place of residence now fixed.

3. Who are the judges whose place of residence has never been fixed, neither in the commission nor by any subsequent order in council. and what is the judiciary district to which they were appointed. Presented 21st March, 1911.—*Hon. Mr. Landry*.. .. ..*Not printed.*

171. Return to an order of the House of Commons, dated 30th January, 1911, for a copy of all advertisements, letters, contracts, complaints, reports of inspectors and other correspondence regarding mail routes Trout creek to Loring and Powassan to Nipissing or Restoule. Presented 24th March, 1911.—*Mr. Arthurs*.. .. ..*Not printed*

173. Return to an order of the House of Commons, dated 27th February, 1911, for a return showing what ministers of the Crown were abroad in 1908, 1909 and 1910, on public business and on what business; what expenses were incurred by each while engaged on public business; what persons, if any, accompanied each minister on public business whose expenses were paid by the government, and the amount of such persons expenses. Presented 24th March, 1911.—*Mr. Sharpe (Ontario)*.. .. ..*Not printed*

173. Return to a order of the House of Commons, dated 27th February, 1911, for a return showing the value, respectively, of the following products of the country, by provinces, during the years 1909 and 1910, agricultural products of all kinds, including field products of every kind, fruit, vegetables, live stock, &c., dairy products, &c.; timber of all kinds; minerals of all kinds; fish of all kinds; and manufactured goods of all kinds. Presented 24th March, 1911.—*Mr. Macdonell*.. .. ..*Not printed.*

174. Report of the Manitoba Fisheries Commission, 1910-11. Presented 24th March, 1911, by Hon. L. P. Brodeur... .. ..*Not printed.*

175. Return to an order of the House of Commons, dated 14th December, 1910, for a return showing what amount has been paid by the government during the last fiscal year for cab hire and street railway fares in the city of Ottawa for the following persons, with the names and the amounts in each case: ministers of the Crown; speaker of the Senate and House of Commons; civil servants of all grades from deputy ministers down; all other persons employed in any government work or other service. Presented 27th March, 1911.—*Mr. Taylor (Leeds)*.. .. ..*Not printed.*

175*a*. Return to an order of the House of Commons, dated 14th December, 1910, for a return showing what amount has been paid by the government during the last fiscal year for travelling expenses with the names and the expenditure in each case, under the following heads, viz.: railway, steamship, and other lines of transportation; private cars; Pullman cars; tips to waiters; meals and hotel expenses; for the following persons: Ministers of the Crown; civil servants of all grades; immigration agents; and other persons employed by the government on any special or other work. Presented 20th April, 1911.—*Mr. Taylor (Leeds)*.. .. ..*Not printed.*

175*b*. Supplementary return to an order of the House of Commons, dated 14th December, 1910, for a return showing what amount has been paid by the government during the last fiscal year for travelling expenses with the names and the expenditure in each case, under the following heads, viz.: railway, steamship, and other lines of transportation; private cars; Pullman cars; tips to waiters; meals and hotel expenses, for the following persons: Ministers of the Crown; civil servants of all grades; immigration agents; and other persons employed by the government on any special or other work. Presented 20th July, 1911.—*Mr. Taylor (Leeds)*.. .. ..*Not printed.*

CONTENTS OF VOLUME 24—*Continued.*

176. Papers referring to the organization of a Secretariat, as follows:—1. Despatch to the governors of the self-governing colonies relative to the reorganization of the Colonial Office.

2. Note on a visit to Australia, New Zealand and Fiji in 1909, by Sir Charles Lucas, K.C.M.G., C.B., assistant under secretary of state for the Colonies.

3. Report of the Dominions Department of the Colonial Office for the year 1909-1910.

4. Imperial Copyright Conference, 1910, memorandum of the proceedings.

5. Further correspondence relating to the Imperial Conference.

6. Correspondence relating to th Imprial Confrence, 1911. Presented, 28th March, 1911, by Rt. Hon. Sir Wilfrid Laurier.. .. ..*Not printed.*

177. Return to an order of the House of Commons, dated 20th February, 1911, for a copy of the application by or on behalf of the Glace Bay Bait Association, Glace Bay, N.S., for moneys in connection with the cold storage building for the storage of bait, at Glace Bay, N.S.; also a copy of all correspondence between the said association or anyone on its behalf and the government, any department of the government, or anyone on behalf of the government or any of its departments. Presented 28th March, 1911.—*Mr. Maddin*.. .. ..*Not printed.*

177*a*. Return to on order of the House of Commons, dated 3rd April, 1911, for a copy of all the correspondence in connection with the building of bait freezers at Louisburg and Lingan in the riding of South Cape Breton. Presented 20th April, 1911.—*Mr. Mackenzie*.. .. ..*Not printed.*

178. Return to an address of the Senate dated 8th March, 1911, that an order of the Senate do issue for the production of a copy of the complaint made by the commandant of the 61st Regiment against the commandant of the 7th Military District, of the reply of the latter and of all correspondence on the subject between the authorities at Ottawa and those at Quebec and Montreal, together with a copy of the report of the Inspector General respecting the case. Presented 28th March, 1911.—*Hon. Mr. Landry*.. .. ..*Not printed.*

179. Return to an order of the House of Commons, dated 16th March, 1911, for a return showing the average prices of butter and of eggs in London, England, for the past five years in comparison with the prices, respectively, in eastern provinces, in Montreal, in Toronto, in Minneapolis, in Chicago, in Detroit, in Buffalo, in Boston and in New York. Presented 30th March, 1911.—*Mr. Sharpe (Ontario)*.. .. .. ..*Not printed.*

179*a*. Return to an order of the House of Commons, dated 23rd March, 1911, for a return showing the quantity and value of butter, eggs, poultry, chilled or frozen meat, bacon, lard, apples, vegetables, wheat, barley, cattle, horses and potatoes imported into Canada during the six months ending 1st March, 1911, the countries from which the same were imported and the duty collected thereon. Presented 6th April, 1911.—*Mr. Middlebro*.. .. ..*Not printed.*

179*b*. Supplementary return to an order of the House of Commons, dated 23rd March, 1911, for a return showing the quantity and value of butter, eggs, poultry, chilled or frozen meat, bacon, lard, apples, vegetables, wheat, barley, cattle, horses and potatoes imported into Canada during the six months ending 1st March, 1911, the countries from which the same were imported and the duty collected thereon. Presented 8th May, 1911.—*Mr. Middlebro*.. .. ..*Not printed.*

180. Return to an order of the House of Commons, dated 14th December, 1910, for a return showing the total payments made by the government to the Eclipse Manufacturing

CONTENTS OF VOLUME 23—*Continued.*

Company, Limited, for year 1909-10, and how these contracts were let; the total payments made by the government to the Office Specialty Manufacturing Company, Limited, for year 1909-10, and how these contracts were let; the total payments made by the government to Messrs. Ahearn & Soper for year 1909-10, and how these contracts were let. Presented 3rd April, 1911.—*Mr. Sharpe (Lisgar)*.. .. ..*Not printed.*

181. Return to an order of the Senate dated 22nd February, 1911, for a copy of all orders in council and of all orders issued by the Minister of the Interior giving, from time to time, to the commissioner for the Northwest Territories, since his appointment as such, the instructions which he is to follow in the exercise of his executive in so far as concerns the government of the Northwest Territories. Presented 4th April, 1911. *Hon. Mr. Landry*.. .. ..*Not printed.*

182. Return to an order of the Senate dated 16th March, 1911, calling for a copy of all correspondence relating to the stranding in August, 1910, of the ship *Manchester Engineer* near the Strait of Belle Isle, and of the investigation held with reference thereto at Quebec during the month of September or October last. Presented 4th April, 1911. —*Hon. Mr. Landry*.. .. ..*Not printed.*

183. Return to an order of the House of Commons, dated 15th February, 1911, for a return showing all communications, telegrams, letters, petitions or plans relating to the rifle range at Bear River, N.S., received since January, 1909.

2. From whom received and upon what dates respectively? Presented 5th April, 1911. —*Mr. Jameson*.. .. ..*Not printed.*

184. Return to an order of the House of Commons, dated 14th December, 1910, for a return showing what total amount has been annually expended in each province since 1880 by the Department of Public Works for harbours and rivers, together with the annual totals of said expenditure for the whole of Canada; also that the Department of Public Works prepare and lay upon the Table of this House with this Return a map for each province, showing the location of all wharves, piers, breakwaters, &c., constructed or purchased by the federal government, and presently owned by the Dominion of Canada. Presented 6th April, 1911.—*Mr. Ames*.. .. ..*Not printed.*

185. Return to an order of the Senate dated 22nd February, 1911, for:—

1. Copies of all papers relating to the appointment of Martin Dickie to the command of the 76th Regiment of the counties of Colchester and Hants.

2. Copies of all papers relating to the recommendation of Major J. L. Barnhill by Lieut. General Drury and others to the command of the said regiment.

3. Copies of all documents relating in any way to the reasons or causes why the said Major Barnhill as the senior officer of said regiment should not have been appointed to the command of the same.

4. Copies of all correspondence and other popers and documents relating to the recent reorganization of the 78th Colchester, Hants and Pictou Regiment of "Highlanders." Presented 4th April, 1911.—*Hon. Mr. Lougheed*.. .. ..*Not printed.*

186. Return to an order of the House of Commons, dated 27th March, 1911, for a return showing the mileage of railways owned, controlled or operated in the United States by the Grand Trunk, the Canadian Pacific and other Canadian railway companies.

2. Also the mileage of railways owned, controlled or operated by the United States railway corporations in Canada. Presented 10th April, 1911.—*Mr. Rutan.*

Not printed.

187. Return to an order of the House of Commons, dated 3rd April, 1911, for a copy of all correspondence, declarations, telegrams, mailing lists, and other documents relating

CONTENTS OF VOLUME 24—*Continued.*

to an application asking for the granting of statutory postal privileges to a newspaper published at New Glasgow, Nova Scotia, called the Guysborough *Times*. Presented 10th April, 1911.—*Mr. Sinclair*.. .. ..*Not printed.*

188. Return to an order of the House of Commons, dated 23rd January, 1911, for a copy of all memorials, reports, correspondence and documents in the possession of the government, not already brought down, relating to a survey of a route for a tunnel under the Straits of Northumberland between the province of Prince Edward Island and the mainland of Canada, and also relating to the construction of such tunnel. Presented 12th April, 1911.—*Mr. Richards*.. .. ..*Not printed.*

189. Return to an order of the House of Commons, dated 27th February, 1911, for a copy of all enactments, regulations, documents, papers and information of every kind setting forth or showing the systems or method by which the census is taken in the United Kingdom, the British Dominions and foreign countries, respectively; and showing in what respect, if any, the principle, system or method adopted in the United Kingdom, the British Dominions, and foreign countries differs from that proposed for the approaching census in Canada. Presented 12th April, 1911.—*Mr. Borden*.. .. ..*Not printed.*

189*a*. Forms of schedules, &c., in connection with the census to be taken during the year 1911. Presented 21st April, 1911, by Hon. S. A. Fisher.. .. ..*Not printed.*

189*b*. Supplementary return to an order of the House of Commons, dated 27th February, 1911, for a copy of all enactments, regulations, documents, papers and information of every kind setting forth or showing the systems or method by which the census is taken in the United Kingdom, the British Dominions and foreign countries, respectively; and showing in what respect, if any, the principle, system or method adopted in the United Kingdom, the British Dominions, and foreign countries differs from that proposed for the approaching census in Canada. Presented 10th May, 1911.—*Mr. Borden*.. .. ..*Not printed.*

190. Return to an order of the House of Commons, dated 6th February, 1911, for a return showing:—1. How many employees were connected with the Printing Bureau in 1896?

2. The names of those employees connected with the Printing Bureau who were dismissed between 1896 and 1911, and the date of dismissal and the cause in each case?

3. The names of those employees, who resigned or died between the years 1896 and 1911, and the date of resignation or death in each case.

4. The names of those who have been appointed to positions in connection with the Printing Bureau between 1896 and 1911, and the date of appointment in each case. Presented 12th April, 1911.—*Mr. Edwards*.. .. ..*Not printed.*

191. Return to an address of the Senate dated 17th January, 1911, for the production of a copy of the agreements concluded between the government and the former proprietor of the Stadacona farm at St. Félix du Cap Rouge, with reference to the purchase of the said farm, and of operating the same in the future as an experimental farm, and of all correspondence on these two matters. Presented 19th April, 1911.—*Hon. Mr. Landry* .. .. *Not printed.*

192. Return to an order of the House of Commons, dated 27th March, 1911, for a copy of all the correspondence, contracts, assignments and other documents with regard to what is called the Percy Aylwin irrigation grant, granted to him under order in council dated 1st September, 1908. Presented 8th May, 1911.—*Mr. Campbell*..*Not printed.*

CONTENTS OF VOLUME 24—*Continued.*

193. Return to an order of the House of Commons, dated 27th February, 1911, for a copy of all letters, papers, telegrams, documents, vouchers and pay sheets, showing the names of all persons who supplied materials or worked, and the prices and rates of wages, and sums paid to each, in connection with the construction of a wharf at Deep Brook, N.S. Presented 28th April, 1911.—*Mr. Jameson*.. .. .. ..*Not printed.*

194. Return to an address of the House of Commons, dated 10th April, 1911, for a copy of all papers, documents, memoranda and correspondence relating to the parliament site in the city of Winnipeg for the province of Manitoba, including the reservations made in the Crown grants to the Hudson's Bay Company, and the purpose for which the same were made, and also a copy of the Dominion order in council, dated the 23rd January, 1872, and all subsequent orders in council and correspondence dealing with the site for both provincial and Dominion purposes. Presented 1st May, 1911. —*Mr. Haggart (Winnipeg)*.. .. ..*Not printed.*

194*a*. Supplementary return to an address of the House of Commons, dated 10th April, 1911, for a copy of all papers, documents, memoranda and correspondence relating to the parliament site in the city of Winnipeg for the province of Manitoba, including the reservations made in the Crown grants to the Hudson's Bay Company, and the purpose for which the same were made, and also a copy of the Dominion order in council, dated the 23rd January, 1872, and all subsequent orders in council and correspondence dealing with the site for both provincial and Dominion purposes. Presented 20th July, 1911.—*Mr. Haggart (Winnipeg)*.. .. ..*Not printed.*

195. Return to an address of the House of Commons, dated 23rd January, 1911, for a copy of all orders in council, regulations and rules of the several departments of the government respecting the participation by employees of the government in civic or municipal affairs, and especially with regard to their disability from serving in civic or municipal councils; and all correspondence, documents and papers since the first day of January, 1900, touching the operation of the said orders in council, rules and regulations. Also a list of all employees of the government who have been elected to or have served in city or municipal councils during the said period from the first day of January, 1900. up to the present time, including all those now so serving and those who have been prevented by the government from serving. Presented 1st May, 1911.—*Mr. Borden*.. .. ..*Not printed.*

195*a*. Supplementary return to an address of the House of Commons, dated 23rd January, 1911, for a copy of all orders in council, regulations and rules of the several departments of the government respecting the participation by employees of the government in civic or municipal affairs, and especially with regard to their disability from serving in civic or municipal councils; and all correspondence, documents and papers since the first day of January, 1900, touching the operation of the said orders in council, rules and regulations. Also a list of all employees of the government who have been elected to or have served in city or municipal councils during the said period from the first day of January, 1900, up to the present time, including all those now so serving and those who have been prevented by the government from serving. Presented 3rd May, 1911.—*Mr. Borden*.. .. ..*Not printed.*

196. Return to an address to His Excellency the Governor General of the 3rd April, 1911 for a copy of all orders in council, memoranda, papers and documents, relating to the transfer, or any negotiations concerning the transfer, of a charter known as the Manitoba and South Eastern Railway Company. Presented 2nd May, 1911.—*Mr McCarthy*.. .. ..*Not printed*

CONTENTS OF VOLUME 24—*Continued.*

197. General rule and order of the Exchequer Court of Canada in regard to seals. Presented 2nd May, 1911, by Hon. Charles Murphy.. .. ..*Not printed.*

198. Return to an order of the House of Commons, dated 18th January, 1911, for a return showing how many aliens there are in the service of the government of Canada who are residing out of Canada, their names, nationality, the nature of the service, term of service, residence, and salary.

2. The same information as to aliens now residing in Canada who have been in the service of the government of Canada for a period of three years or more, and the date and length of service.

3. The same information in regard to aliens in the service of the government of any province or provinces of Canada. Presented 9th May, 1911.—*Mr. Lennox.*

Not printed.

199. Return to an order of the House of Commons, dated 1st May, 1911, for a return giving the names of the gentlemen appointed as judges by the present government of Canada since they came into power in 1896, the residences of these gentlemen at the time of appointments, the positions to which they were respectively appointed, and in each case where the appointee had a predecessor in the position, the time which the position was vacant. Presented 11th May, 1911.—*Mr. Lennox*.. .. ..*Not printed.*

200. Return to an order of the House of Commons, dated 16th January, 1911, for a copy of all correspondence, telegrams, reports, contracts, papers and memorials in the possession of the government relating to the establishment of a fast Atlantic service between Canada and any other country; also with reference to an all red route, cable, or telegraph service, betyeen Canada and any other country, within the past fifteen years. Presented 16th May, 1911.—*Mr. Armstrong*.. .. ..*Not printed*

201. Return to an order of the House of Commons, dated 18th May, 1911, for copies of any correspondence between the government of New Brunswick, or any member or members thereof, and the government of Canada, or any member thereof, with reference to changing the Subsidy Act, 1910, with respect to a subsidy for a line of railway from Grand Falls in the province of New Brunswick to the city of St. John in the same province. Presented 19th May, 1911.—*Mr. Carvell*.. .. ..*Not printed.*

202. Copy of report of Board of Conciliation and Investigation in the matter of the Western Coal Operators' Association and its employees. Presented 19th July, 1911, by Hon. W. L. Mackenzie King.. .. ..*Not printed.*

203. Return to an order of the House of Commons, dated 23rd January, 1911, for a return—

1. Showing in tons the east-bound and the west-bound traffic on the Intercolonial railway for the five years ending 30th June, 1910.

2. The miles of main trunk line and branches of the Intercolonial railway in each province through which it passes, distinguishing the trunk line from the branches.

3. Showing in tons the west-bound traffic originating in each of the maritime provinces during the period of five years ending 30th June, 1910. Presented 18th July, 1911.—*Mr. Sinclair*.. .. ..*Not printed.*

204. Return to an order of the House of Commons, dated 13th March, 1911, for a copy of all correspondence, telegrams, &c., during the past twelve months between Mr. E. J. Walsh, C.E., and the Minister of Department of Railways and Canals in regard to the Newmarket Canal. Presented 18th July, 1911.—*Mr. Wallace* .. .. ..*Not printed*

CONTENTS OF VOLUME 24—*Concluded.*

205. Return to an order of the House of Commons, dated 20th April, 1911, for a return showing:—1. The quantity of bituminous coal imported into Ontario transhipped into other provinces in 1910.

2. The quantity of bituminous coal imported into Ontario in 1910 imported by the different railway companies.

3. The quantity and value of slack coal imported into Ontario in 1910, what portion of this slack coal was transhipped to other provinces, and what imported by railway companies. Presented 18th July, 1911.—*Mr. Macdonell*.. .. .. ..*Not printed.*

206. Return to an order of the House of Commosn, dated 24th April, 1911, for a return showing in detail the expenses incurred and paid for the Paris exposition in 1900, as payments of the Colonial committee on account of space, &c., $87,000, as shown in the report of the Auditor General for 1899-1900, page D—15. Presented 21st July, 1911.—*Mr. Paquet*.. .. ..*Not printed*

207. Report of Mr. Justice Murphy, Royal Commissioner appointed to investigate alleged Chinese frauds and opium smuggling on the Pacific coast. 1910-11, together with copies of the evidence taken and exhibits produced before the said commissioner. Presented 21st July, 1911, by Rt. Hon. Sir Wilfrid Laurier.. .. ..*Not printed.*

208. Minutes of Proceedings of the Imperial Conference, 1911. Presented 27th July, 1911, by Rt. Hon. Sir Wilfrid Laurier.

Printed for both distribution and sessional papers.

208*a*. Despatches, &c., relative to the simultaneous publication of memorandum of conference on the subject of the status of Dominion navies. Presented 27th July, 1911, by Rt. Hon. Sir Wilfrid Laurier.

Printed for both distribution and sessional papers.

208*b* and **208***c*. Memorandum of conferences between the British admiralty and representatives of the Dominions of Canada and Australia; and also. copy of a cable despatch from Mr. Harcourt to Lord Grey. Presented 28th July, 1911, by Rt. Hon. Sir Wilfrid Laurier.. .. ..*Printed for both distribution and sessional papers*

208*d*. Report of a Committee of the Imperial Conference convened to discuss defence (military), of the War Office, 14th June and 17th June, 1911. Presented 28th July, 1911 by Hon. S. A. Fisher.. .. ..*Printed for both distribution and sessional papers.*

209. Memorandum respecting the printing of voters' lists. Presented 27th July. 1911, by Rt. Hon. Sir Wilfrid Laurier.. .. ..*Not printed.*

210. Text of Pelagic Sealing Treaty signed at Washington, 7th July. 1911. Presented 27th July, 1911, by Rt. Hon. Sir Wilfrid Laurier.. .. .. ..Printed for sessional papers.

211. Interim report, Alberta and Saskatchewan Fisheries Commission, 1910. Presented 28th July, 1911, by Hon. L. P. Brodeur.. .. ..*Not printed.*

RETURN

(95d)

PREFATORY NOTE.

The Treaty here published is the result of negotiations between Great Britain and Japan consequent upon the denunciation on July 16, 1910, by Japan of the existing Treaty of 1894 between the two countries. This denunciation, which will take effect on July 16, 1911, followed the promulgation of a new Japanese Tariff to take effect on July 17, 1911.

It is intended that the new Treaty shall come into force on the day after the expiration of the existing Treaty and shall remain in force for twelve years certain. There is, however, special provision in Article 8 to meet the contingency of either Contracting Power desiring to revise the Tariff Schedule appended to the Treaty before the end of that period. Should notice of such desire be given at any time after the Treaty has been in force for not less than a year, negotiations are to be entered into for the purpose, and should they prove unsuccessful within six months, the Party which gave notice of revision would then be free to give a further six months' notice to terminate the Tariff Article separately without prejudice to the other stipulations of the Treaty.

Part I of the Schedule annexed to the Treaty provides for reductions of duty as compared with the rates of the new Japanese Tariff on certain important classes of manufactured articles, mainly textile and iron and steel goods, of special interest to British trade on importation into Japan. In an Appendix (p. 11) a table is given comparing the "Conventional" rates on these articles with those of the new Tariff, the duties being converted into British equivalents.

Broadly speaking, the effect is that, in the case of cotton tissues of the classes which specially interest British trade, the new duties on grey tissues are reduced by proportions varying from one-third to one-fourth, with consequential reductions on other kinds; in the case of the more important classes of tissues of pure wool, by proportions varying from one-fourth to one-fifth; in that of tissues of wool and cotton mixed, and of linen yarns, by about one-fifth; in that of certain classes of iron and steel plates and sheets, including galvanised sheets and tinned plates, by amounts varying from two-ninths to two-fifths; in that of pig iron, by about one-sixth; and in the case of paints, by one-third.

The imports of the above articles from the United Kingdom into Japan are valued at about 3,500,000*l* per annum, or over 80 per cent. of the imports of the like articles from all sources.

Part II of the Schedule enumerates certain articles of Japanese production which, subject to the provision of Article 8 as to revision, are to continue to be admitted free of duty into the United Kingdom. These articles are either materials for industry or specialties of Japanese manufacture. The total value of these articles imported into the United Kingdom from Japan is about 2,150,000*l*. per annum.

TREATY OF COMMERCE AND NAVIGATION BETWEEN GREAT BRITAIN AND JAPAN, SIGNED AT LONDON, APRIL 3, 1911.

His Majesty the King of the United Kingdom of Great Britain and Ireland and of the British Dominions beyond the Seas, Emperor of India, and His Majesty the Emperor of Japan, being desirous to strengthen the relations of amity and good understanding which happily exist between them and between their subjects, and to facilitate and extend the commercial relations between their two countries, have resolved to conclude a Treaty of Commerce and Navigation for that purpose, and have named as their Plenipotentiaries, that is to say:

His Majesty the King of the United Kingdom of Great Britain and Ireland of the British Dominions beyond the Seas, Emperor of India, the Right Honourable Sir Edward Grey, a Baronet of the United Kingdom, a Member of Parliament, His Majesty's Principal Secretary of State for Foreign Affairs;

And His Majesty the Emperor of Japan, His Excellency Monsieur Takaaki Kato, Jusammi, First Class of the Order of the Sacred Treasure, His Imperial Majesty's Ambassador Extraordinary and Plentipotentiary at the Court of St. James;

Who, after having communicated to each other their respective Full Powers, found to be in good and due form, have agreed upon the following articles :—

Article 1.—The subjects of each of the High Contracting Parties shall have full liberty to enter, travel, and reside in the territories of the other, and, conforming themselves to the laws of the country—

1. Shall in all that relates to travel and residence be placed in all respects on the same footing.

2. They shall have the right, equally with native subjects, to carry on their commerce and manufacture, and to trade in all kinds of merchandise of lawful commerce either in person or by agents, singly or in partnerships with foreigners or native subjects.

3. They shall in all that relates to the pursuit of their industries, callings, professions and educational studies be placed in all respects on the same footing as the subjects or citizens of the most favoured nation.

4. They shall be permitted to own or hire and occupy houses, manufactories, warehouses, shops, and premises which may be necessary for them, and to lease land for residential, commercial, industrial, and other lawful purposes, in the same manner as native subjects.

5. They shall, on condition of reciprocity, be at full liberty to acquire and possess every description of property, movable or immovable, which the laws of the country permit or shall permit the subjects or citizens of any foreign country to acquire and possess, subject always to the conditions and limitations prescribed in such laws. They may dispose of the same by sale, exchange, gift, marriage, testament, or in any other manner under the same conditions which are or shall be established with regard to native subjects. They shall also be permitted, on compliance with the laws of the country, freely to export the proceeds of the sale of their property and their goods in general without being subjected as foreigners to other or higher duties than those to which subjects of the country would be liable under similar circumstances.

6. They shall enjoy constant and complete protection and security for their persons and property; shall have free and easy access to the Courts of Justice and other tribunals in pursuit and defence of their claims and rights; and shall have full liberty, equally with the native subjects, to choose and employ lawyers and advocates to represent them before such Courts and tribunals; and generally shall have the same rights and privileges as native subjects in all that concerns the administration of justice.

7. They shall not be compelled to pay taxes, fees, charges, or contributions of any kind whatever, other or higher than those which are or may be paid by native subjects or the subjects or citizens of the most favoured nation.

8. And they shall enjoy perfect equality of treatment with native subjects in all that relates to facilities for warehousing under bond, bounties, and drawbacks.

Article 2.—The subjects of each of the High Contracting Parties in the territories of the other shall be exempted from all compulsory military services, whether in the army, navy, national guard, or militia; from all contributions imposed in lieu of personal service; and from all forced loans and military requisitions or contributions unless imposed on them equally with the native subjects as owners, lessees, or occupiers of immovable property.

In the above respects the subjects of each of the High Contracting Parties shall not be accorded in the territories of the other less favourable treatment than that which is or may be accorded to subjects or citizens of the most favoured nation.

Article 3.—The dwellings, warehouses, manufactories, and shops of the subjects of each of the High Contracting Parties in the territories of the other, and all premises appertaining thereto used for lawful purposes, shall be respected. It shall not be allowable to proceed to make a domiciliary visit to, or search of, any such buildings and premises, or to examine or inspect books, papers, or accounts, except under the conditions and with the forms prescribed by the laws for native subjects.

Article 4.—Each of the High Contracting Parties may appoint Consuls-General, Consuls, Vice-Consuls, and Consular Agents in all the ports, cities, and places of the other, except in those where it may not be convenient to recognise such officers. This exception, however, shall not be made in regard to one of the High Contracting Parties without being made likewise in regard to all other Powers.

Such Consuls-General, Consuls, Vice-Consuls, and Consular Agents, having received exequaturs or other sufficient authorisations from the Government of the country to which they are appointed, shall have the right to exercise their functions, and to enjoy the privileges, exemptions, and immunities which are or may be granted to the Consular officers of the most favoured nation. The Government issuing exequaturs or other authorisations has the right in its discretion to cancel the same on explaining the reasons for which it thought proper to do so.

Article 5.—In case of the death of a subject of one of the High Contracting Parties in the territories of the other, without leaving at the place of his decease any person entitled by the laws of the country to take charge of and administer the estate, the competent Consular officer of the State to which the deceased belonged shall, upon fulfilment of the necessary formalities, be empowered to take custody of and administer the estate in the manner and under the limitations prescribed by the law of the country in which the property of the deceased is situated.

The foregoing provision shall also apply in case of a subject of one of the High Contracting Parties dying outside the territories of the other, but possessing property therein without leaving any person there entitled to take charge of and administer the estate.

It is understood that in all that concerns the administration of the estates of deceased persons, any right, privilege, favour, or immunity which either of the High

Contracting Parties has actually granted, or may hereafter grant, to the Consular officers of any foreign State shall be extended immediately and unconditionally to the Consular officers of the other High Contracting Party.

Article 6.—There shall be between the territories of the Two High Contracting Parties reciprocal freedom of commerce and navigation. The subject of each of the High Contracting Parties shall have liberty freely to come with their ships and cargoes to all places, ports, and rivers in the territories of the other, which are or may be opened to foreign commerce, and conforming themselves to the laws of the country to which they thus come, shall enjoy the same rights, privileges, liberties, favours, immunities, and exemptions in matters of commerce and navigation as are or may be enjoyed by native subjets.

Article 7.—Articles, the produce or manufacture of the territories of one High Contracting Party, upon importation into the territories of the other, from whatever place arriving, shall enjoy the lowest rates of customs duty applicable to similar articles of any other foreign origin.

No prohibition or restriction shall be maintained or imposed on the importation of any article, the produce or manufacture of the territories of either of the High Contracting Parties, into the territories of the other, from whatever place arriving, which shall not equally extend to the importation of the like articles, being the produce or manufacture of any other foreign country. This provision is not applicable to the sanitary or other prohibitions occasioned by the necessity of securing the safety of persons, or of cattle, or of plants useful to agriculture.

Article 8.—The articles, the produce or manufacture of the United Kingdom, enumerated in Part I of the Schedule annexed to this Treaty, shall not, on importation into Japan, be subjected to higher customs duties than those specified in the Schedule.

The articles, the produce or manufacture of Japan, enumerated in Part II of the Schedule annexed to this Treaty, shall be free of duty on importation into the United Kingdom.

Provided that if at any time after the expiration of one year from the date this Treaty takes effect, either of the High Contracting Parties desires to make a modification in the Schedule it may notify its desire to the other High Contracting Party, and thereupon negotiations for the purpose shall be entered forthwith. If the negotiations are not brought to a satisfactory conclusion within six months from the date of notification, the High Contracting Party which gave the notification may, within one month, give six months' notice to abrogate the present Article, and on the expiration of such notice the present Article shall cease to have effect, without prejudice to the ather stipulations of this Treaty.

Article 9.—Articles, the produce or manufacture of the territories of one of the High Contracting Parties, exported to the territorities of the other, shall not be subjected on export to other or higher charges than those paid on the like articles exported to any other foreign country. Nor shall any prohibition or restriction be imposed on the exportation of any article from the territories of either of the two High Contracting Parties to the territories of the other which shall not equally extend to the exportation of the like article to any other foreign country.

Article 10.—Articles, the produce or manufacture of the territories of one of the High Contracting Parties, passing in transit through the territories of the other, in conformity with the laws of the country, shall be reciprocally free from all transit duties, whether they pass direct, or whether during transit they are unloaded, warehoused, and reloaded.

Article 11.—No internal duties levied for the benefit of the State, local authorities, or corporations which affect, or may affect, the production, manufacture, or consumption of any article in the territories of either of the High Contracting Parties shall for any reason be a higher or more burdensome charge on articles, the produce or manufacture of the territories of the other than on similiar articles of native origin.

The produce or manufacture of the territories of either of the High Contracting Parties imported into the territories of the other, and intended for warehousing or transit, shall not be subjected to any internal duty.

Article 12.—Merchants and manufacturers, subjects of one of the High Contracting Parties, as well as merchants and manufacturers domiciled and exercising their commerce and industries in the territories of such party, may, in the territories of the other, either personally or by means of commercial travellers, make purchases or collect orders, with or without samples, and such merchants, manufacturers, and their commercial travellers, while so making purchases and collecting orders, shall, in the matter of taxation and facilities, enjoy the most favoured nation treatment.

Articles imported as samples for the purposes above-mentioned shall, in each country, be temporarily admitted free of duty on compliance with the Customs regulations and formalties established to assure their re-exportation or the payment of the prescribed customs duties if not re-exported within the period allowed by law. But the foregoing privilege shall not extend to articles which, owing to their quantity or value, cannot be considered as samples, or which, owing to their nature, could not be identified upon re-exportation. The determination of the question of the qualification of samples for duty-free admission rests in all cases exclusively with the competent authorities of the place where the importation is effected.

Article 13.—The marks, stamps, or seals placed upon the samples mentioned in the preceding Article by the Customs authorities of one country at the time of exportation, and the officially attested list of such samples containing a full description thereof issued by them, shall be reciprocally accepted by the Customs officials of the other as establishing their character as samples and exempting them from inspection except so far as may be necessary to establish that the samples produced are those enumerated in the list. The Customs authorities of either country may, however, affix a supplementary mark to such samples in special cases where they may think this precaution necessary.

Article 14.—The Chambers of Commerce, as well as other Trade Associations and other recognised Commercial Associations in the territories of the High Contracting Parties as may be authorised in this behalf, shall be mutually accepted as competent authorities for issuing any certificates that may be required for commercial travellers.

Article 15.—Limited liability and other companies and associations, commercial, industrial, and financial, already or hereafter to be organised in accordance with the laws of either High Contracting Party, and registered in the territories of such Party, are authorised, in the territories of the other, to exercise their rights and appear in the Courts either as plaintiffs or defendants, subject to the laws of such other Party.

Article 16.—Each of the High Contracting Parties shall permit the importation or exportation of all merchandise which may be legally imported or exported, and also the carriage of passengers from or to their respective territories, upon the vessels of the other; and such vessels, their cargos, and passengers, shall enjoy the same privileges as, and shall not be subjected to any other or higher duties or charges than, national vessels and their cargoes and passengers.

Article 17.—In all that regards the stationing, loading, and unloading of vessels in the ports, docks, roadsteads, and harbours of the High Contracting Parties, no

privileges or facilities shall be granted by either Party to national vessels which are not equally, in like cases, granted to the vessels of the other country; the intention of the High Contracting Parties being that in these respects also the vessels of the two countries shall be treated on the footing of perfect equality.

Article 18.—All vessels which according to British law are to be deemed British vessels, and all vessels which according to Japanese law are to be deemed Japanese vessels, shall, for the purposes of this Treaty be deemed British and Japanese vessels respectively.

Article 19.—No duties of tonnage, harbour, pilotage, lighthouse, quarantine or other analogous duties or charges of whatever nature, or under whatever denomination, levied in the name or for the profit of the Government, public functionaries, private individuals, corporations or establishments of any kind, shall be imposed in the ports of either country upon the vessels of the other which shall not equally, under the same conditions, be imposed in like cases on national vessels in general, or vessels of the most favoured nation. Such equality of treatment shall apply to the vessels of either country from whatever place they may arrive and whatever may be their destination.

Article 20.—Vessels charged with performance of regular scheduled postal service of one of the High Contracting Parties shall enjoy in the territorial waters of the other the same special facilities, privileges, and immunities as are granted to like vessels of the most favoured nation.

Article 21.—The coasting trade of the High Contracting Parties is excepted from the provisions of the present Treaty, and shall be regulated according to the laws of the United Kingdom and Japan respectively. It is, however, understood that the subjects and vessels of either High Contracting Party shall enjoy in this respect most favoured nation treatment in the territories of the other.

British and Japanese vessels may, nevertheless, proceed from one port to another, either for the purpose of landing the whole or part of their passengers or cargoes brought from a board, or of taking on board the whole or part of their passengers or cargoes for foreign destination.

It is also understood that, in the event of the coasting trade of either country being exclusively reserved to national vessels, the vessels of the other country, if engaged in trade to or from places not within the limits of the coasting trade so reserved, shall not be prohibited from the carriage between two ports of the former country of passengers holding through tickets, or merchandise consigned on through bills of lading to or from places not within the above-mentioned limits, and while engaged in such carriage these vessels and their cargoes shall enjoy the full privileges of this Treaty.

Article 22.—If any seaman should desert from any ship belonging to either of the High Contracting Parties in the territorial waters of the other, the local authorities shall, within the limits of law, be bound to give every assistance in their power for the recovery of such deserter, on application to that effect being made to them by the competent Consular officer of the country to which the ship of the deserter may belong, accompanied by an assurance that all expenses connected therewith will be repaid.

It is understood that this stipulation shall not apply to the subjects of the country where the desertion takes place.

Article 23.—Any vessel of either of the High Contracting Parties which may be compelled, by stress of weather or by accident, to take shelter in a port of the other shall be at liberty to refit therein, to procure all necessary stores, and to put to sea again, without paying any dues other than such as would be payable in the like case

by a national vessel. In case, however, the master of a merchant-vessel should be under the necessity of disposing of a part of his merchandise in order to defray the expenses, he shall be bound to conform to the Regulations and Tariffs of the place to which he may have come.

If any vessel of one of the High Contracting Parties should run aground or be wrecked upon the coasts of the other, such vessel, and all parts thereof, and all furniture and appurtenances belonging thereunto, and all goods and merchandise saved therefrom, including any which may have been cast into the sea, or the proceeds thereof, if sold, as well as all papers found on board such stranded or wrecked vessel, shall be given up to the owners or their agents when claimed by them. If there are no such owners or agents on the spot, then the same shall be delivered to the British or Japanese Consular officer in whose district the wreck or stranding may have taken place upon being claimed by him within the period fixed by the laws of the country, and such Consular officer, owners, or agents shall pay only the expenses incurred in the preservation of the property, together with the salvage or other expenses which would have been payable in the like case of a wreck or stranding of a national vessel.

The High Contracting Parties agree, moreover, that merchandise saved shall not be subjected to the payment of any customs duty unless cleared for internal consumption.

In the case either of a vessel being driven in by stress of weather, run aground, or wrecked, the respective Consular officers shall, if the owner or master or other agent of the owner is not present, or is present and requires it, be authorised to interpose in order to afford the necessary assistance to their fellow-countryman.

Article 24.—The High Contracting Parties agree that, in all that concerns commerce, navigation, and industry, any favour, privilege, or immunity which either High Contracting Party has actually granted, or may hereafter grant, to the ships, subjects, or citizens of any other foreign State shall be extended immediately and unconditionally to the ships or subjects of the other High Contracting Party, it being their intention that the commerce, navigation, and industry of each country shall be placed in all respects on the footing of the most favoured nation.

Article 25.—The stipulations of this Treaty do not apply to tariff concessions granted by either of the High Contracting Parties to contiguous States solely to facilitate frontier traffic within a limited zone on each side of the frontier, or to the treatment accorded to the produce of the national fisheries of the High Contracting Parties or to special tariff favours granted by Japan in regard to fish and other aquatic products taken in the foreign waters in the vicinity of Japan.

Article 26.—The stipulations of the present Treaty shall not be applicable to any of His Britannic Majesty's Dominions, Colonies, Possessions, or Protectorates beyond the seas, unless notice of adhesion shall have been given on behalf of any such Dominion, Colony, Possession, or Protectorate by His Britannic Majesty's Representative at Tokio before the expiration of two years from the date of the exchange of the ratifications of the present Treaty.

Article 27.—The present Treaty shall be ratified, and the ratifications exchanged at Tokio as soon as possible. It shall enter into operation on July 17, 1911, and remain in force until July 16, 1923. In case neither of the High Contracting Parties shall have given notice to the other twelve months before the expiration of the said period, of its intention to terminate the Treaty, it shall continue operative until the expiration of one year from the date on which either of the High Contracting Parties shall have denounced it.

As regards the British Dominions, Colonies, Possessions, and Protectorates to which the present Treaty may have been made applicable in virtue of Article 26, however, either of the High Contracting Parties shall have the right to terminate it separately at any time on giving twelve month's notice to that effect.

It is understood that the stipulations of the present and of the preceding Article referring to British Dominions, Colonies, Possessions, and Protectorates apply also to the Island of Cyprus.

In witness whereof the respective Plenipotentiaries have signed the present Treaty and have affixed thereto the seal of their arms.

Done at London, in duplicate, this 3rd day of April, 1911.

(L.S.) E. GREY.
(L.S.) TAKAAKI KATO.

SCHEDULE.

PART I.

No. in Japanese Statutory Tariff.	Description of Article.	Unit of Weight.	Rate of Duty in Yen.
266	PAINTS :		
	4. Other :		
	A. Each weighing not more than 6 kilog., including the weight of the receptacle.	100 kin. (including receptacles)	4·25
	B. Other	100 kin.	3·30
275	LINEN YARNS :		
	1. Single :		
	A. Gray	100 "	8·60
	B. Other	100 "	9·25
298	TISSUES OF COTTON :		
	1. Velvets, plushes, and other pile tissues, with piles cut or uncut—		
	A. Gray	100 "	25·50
	B. Other	100 "	30·00
	7. Plain tissues, not otherwise provided for :		
	A. Gray :		
	A—1. Weighing not more than 5 kilog. per 100 sq. metres, and having in a square of 5 millim. side in warp and woof :		
	(*a.*) 19 threads or less	100 "	15·30
	(*b.*) 27 "	100 "	20·70
	(*c.*) 35 "	100 "	28·70
	(*d.*) 43 "	100 "	38·00
	(*e.*) More than 43 threads	100 "	51·30
	A—2. Weighing not more than 10 kilog. per 100 sq. metres, and having in a square of 5 millim. side in warp and woof :		
	(*a.*) 19 threads or less	100 "	8·30
	(*b.*) 27 "	100 "	10·50
	(*c.*) 35 "	100 "	13·50
	(*d.*) 43 "	100 "	16·50
	(*e.*) More than 43 threads	100 "	18·70
	A—3. Weighing not more than 20 kilog. per 100 sq. metres, and having in a square of 5 millim. side in warp and woof :		
	(*a.*) 19 threads or less	100 "	6·70
	(*b.*) 27 "	100 "	8·30
	(*c.*) 35 "	100 "	10·59
	(*d.*) 43 "	100 "	13·50
	(*e.*) More than 43 threads	100 "	14·70
	A—4. Weighing not more than 30 kilog. per 100 sq. metres, and having in a square of 5 millim. side in warp and woof :		
	(*a.*) 19 threads or less	100 "	6·00
	(*b.*) 27 "	100 "	6·70
	(*c.*) 35 "	100 "	8·00
	(*d.*) 43 "	100 "	10·70
	(*e.*) More than 43 threads	100 "	13·30

No. in Japanese Statutory Tariff.	Description of Article.	Unit of Weight.	Rate of Duty in Yen.
298	TISSUES OF COTTON—*Continued* :		
	7. Plain tissues, not otherwise provided for *Continued* :		
	A—5. Other	100 "	9·30
	B. Bleached simply	The above duties on gray tissues plus 3 yen per 100 kin.	
	C. Other	The above duties on gray tissues plus 7 yen per 100 kin.	
	9. Other :		
	A. Gray :		
	A—1. Weighing not more than 5 kilog. per 100 sq. metres, and having in a square of 5 millim. side in warp and woof :		
	(*a.*) 19 threads or less	100 kin.	16·00
	(*b.*) 27 "	100 "	21·30
	(*c.*) 35 "	100 "	29·30
	(*d.*) 43 "	100 "	39·30
	(*e.*) More than 43 threads	100 "	53·30
	A—2. Weighing not more than 10 kilog. per 100 sq. metres, and having in a square of 5 millim. side in warp and woof :		
	(*a.*) 19 threads or less	100 "	8·00
	(*b.*) 27 "	100 "	10·00
	(*c.*) 35 "	100 "	14·30
	(*d.*) 43 "	100 "	18·00
	(*e.*) More than 43 threads	100 "	20·00
	A—3. Weighing not more than 20 kilog. per 100 sq. metres, and having in a square of 5 millim. side in warp and woof :		
	(*a.*) 27 threads or less	100 "	8·00
	(*b.*) 35 "	100 "	11·30
	(*c.*) 43 "	100 "	15·00
	(*d.*) More than 43 threads	100 "	18·80
	A—4. Weighing not more than 30 kilog. per 100 sq. metres, and having in a square of 5 millim. side in warp and woof :		
	(*a.*) 27 threads or less	100 "	7·30
	(*b.*) 35 "	100 "	8·70
	(*c.*) 43 "	100 "	11·30
	(*d.*) More than 43 threads	100 "	14·70
	A—5. Other	100 "	10·00
	B. Bleached simply	The above duties on gray tissues plus 3 yen per 100 kin.	
	C. Other	The above duties on gray tissues plus 7 yen per 100 kin.	
301	TISSUES OF WOOL, AND MIXED TISSUES OF WOOL AND COTTON OF WOOL AND SILK, OR OF WOOL, COTTON, AND SILK :		
	2. Other :		
	A. Of wool :		
	(*b.*) Weighing not more than 200 grammes per sq. metre	100 kin.	57·50
	(*c.*) " " 500 " "	100 "	45·00
	(*d.*) Other	100 "	40·00
	B. Of wool and cotton :		
	(*c.*) Weighing not more than 500 grammes per sq. metre	100 "	30·00
	(*d.*) Other	100 "	18·00
462	IRON :		
	1. In lumps, ingots, blooms, billets, and slabs :		
	A. Pig iron	100 "	0·83
	4. Plates and sheets :		
	A. Not coated with metals :		
	A—3. Other :		
	(*a.*) Not exceeding 0·7 millim. in thickness	100 "	0·39
	B. Coated with base metals :		
	B—1. Tinned (tinned iron sheets and tinned steel sheets) :		
	(*a.*) Ordinary	100 "	0·70
	B—2. Galvanized (corrugated or not)	100 "	1·20

PART II.

1. Habutae of pure silk, not dyed or printed.
2. Handkerchiefs of habutae of pure silk, not dyed or printed.
3. Copper, unwrought, in ingots and slabs.
4. Plaiting of straw and other materials.
5. Camphor and camphor oil.
6. Baskets (including trunks) and basketware of bamboo.
7. Matts and matting of rush.
8. Lacquered wares, coated with japanese lacquer (urushi).
9. Rape-seed oil.
10. Cloisonné wares.

APPENDICES.

APPENDIX 1.

Supplementary Declarations and Explanations on Certain Points.

In the course of the negotiations the following declarations and explanations were exchanged between the representatives of the two Powers:—

It was agreed that the contention of either Government regarding the position of the holders of leases in perpetuity in the former foreign settlements, which it was agreed between the two Governments should form the subject of a separate negotiation, was not in any way prejudiced by the omission of reference to that question in the Treaty.

It was also agreed that, in the event of either Government wishing to withdraw from the International Convention for the Protection of Industrial Property, they should conclude an arrangement with the other Government for the mutual protection of their subjects in regard to matters covered by the above-mentioned Convention.

It was agreed that wherever the word "port" in its singular or plural form occurs in Article 21 of the Treaty, it refers to a port open to foreign commerce.

The following explanations were also given by the Japanese Ambassador with regard to certain items and notes of the new Statutory Tariff of Japan:—

1. Those cotton tissues which are known in the trade as "scoured" or "washed" tissues will not be dutiable as "bleached tissues," so long as natural colour is retained.

2. Note 4 of Group IX of the Japanese Tariff is intended to apply to the counting of threads constituting such tissues as have figures, stripes, or other designs. In case the number of threads is unequal in different parts of one piece, owing to imperfections in weaving, the mean of the number of threads in several parts of the tissue will be taken for the purpose of tariff classification. Fractions of threads, that is, threads which touch one of the sides of the counting-glass along its whole length, will not be counted.

3. "Elementary threads" in Note 4 means single threads—for instance, a two-fold yarn would be counted as two threads, and not as one thread—and does not mean those particular threads in the body or bulk of the cloth which are commonly known in England as "elementary threads." Consequently, in counting threads in tissues which have a design or border, the "elementary threads "would be counted wherever they happen to be most numerous, whether it be in the design or border or in the body of the tissue.

As regards Note 5, the correct interpretation is that a figured tissue, such as would pay duty under No. 298 (8), is one which has a design or repeat constituted by interlacing more than twenty warp threads with more than twenty woof threads. For the purpose of counting the said threads, twisted yarns consisting of two or more single yarns, or yarns put together to act as one, would be counted as one thread. It is clear, however, that this method of counting will only be used in ascertaining whether a tissue should pay duty as a figured tissue or not and not for the purpose of counting threads as set forth in Note 4.

4. The term "iron" in No. 462 of the new Japanese Customs Tariff includes both iron and steel.

5. Caustic soda produced on a manufacturing scale and being the ordinary caustic soda of commerce such as that styled 60 per cent., 70 per cent., and 76-77 per cent., will not be classed as refined, and will be subject to duty under Tariff No. 163 (2).

With regard to Part II of the schedule annexed to the present Treaty, it was further agreed in the course of the negotations—

1. That handkerchiefs of habutae of pure silk woven with a mixture of dyed threads and those embroidered or hemstitched with dyed threads should be entitled to the benefits of Part II of the schedule; and

2. That in the term "plaiting of straw and other materials," the words "other materials" are intended to cover only "woodshaving" and "straw and woodshaving combined."

Appendix II.

Statement showing the Articles included in Part I of the Schedule annexed to the Anglo-Japanese Commercial Treaty with the Rates of Duty leviable upon them under the New Statutory Customs Tariff of Japan, and under the Anglo-Japanese Treaty of April 3, 1911.

No. in Japanese Statutory Tariff.	Description of Article.	Rates of Duty.		Approximate English equivalents of rates of duty.	
		Under New Japanese Statutory tariff.	Under New Anglo-Japanese treaty.	Under New Japanese Statutory tariff.	Under New Anglo-Japanese treaty.
266	PAINTS :	Per 100 kin	Per 100 kin	Per cwt.	Per cwt.
	4. Other :	Yen.	Yen.	*s. d.*	*s. d.*
	A. Each weighing not more than 6 kilog., including the weight of the receptacle	6·40	4·25	11 1	7 4
	B. Other	4·95	3·30	8 7	5 8
275	LINEN YARNS :			Per lb.	Per lb.
	1. Single :			*d.*	*d.*
	A. Gray	10 75	8·60	2·0	1·6
	B. Other	11·40	9·25	2·1	1·7
298	TISSUES OF COTTON :				
	1. Velvets, plushes, and other pile tissues, with piles cut or uncut—				
	A. Gray	34·00	25·50	6·3	4·7
	B Other	40·00	30·00	7·4	5·6

No. in Japanese Statutory Tariff.	Description of Article.	Rates of Duty.		Approximate English equivalents of rates of duty.	
		Under New Japanese Statutory tariff.	Under New Anglo-Japanese treaty.	Under New Japanese Statutory tariff.	Under New Anglo-Japanese treaty.
	7. Plain tissues, not otherwise provided for :				
	A. Gray :				
	A—1. Weighing not more than 5 kilog. per 100 sq. metres, and having in a square of 5 milim. side in wharp and woof :				
	(*a.*) 19 threads or less	23·00	15·30	4·3	2·8
	(*b.*) 27 " "	31·00	20·70	5·7	3·8
	(*c.*) 35 " "	43·00	28·70	8·0	5·3
	(*d.*) 43 " "	57·00	38·00	10 6	7·0
	(*e.*) More than 43 threads	77·00	51·30	14·3	9·5
	A—2. Weighing not more than 10 kilog. per 100 sq. metres, and having in a square of 5 millim. side in wharp and woof :				
	(*a.*) 19 threads or less	11·00	8·30	2·0	1·5
	(*b.*) 27 " "	14·00	10·50	2·6	1·9
	(*c.*) 35 " "	18·00	13·50	3 3	2·5
	(*d.*) 43 " "	22·00	16·50	4·1	3·1
	(*e.*) More than 13 threads	28·00	18·70	5·2	3·5
	A—3. Weighing not more than 20 kilog. per 100 sq. metre, and having in a square of 5 millim. side in wharp and woof :				
	(*a.*) 19 threads or less	10·00	6·70	1·9	1·2
	(*b.*) 27 " "	11·00	8·30	2·0	1·5
	(*c.*) 25 " "	14·00	10 50	2·6	1·9
	(*d.*) 43 " "	18·00	13·50	3·3	2·5
	(*e.*) More than 43 threads	22·00	14·70	4·1	2·7
	A—4. Weighing not more than 30 kilog. per 100 sq. metres, and having in a square of 5 millim. side in wharp and woof :				
	(*a.*) 19 threads or less	9·00	6·00	1·7	1·1
	(*b.*) 27 " "	10·00	6·70	1·9	1·2
	(*c.*) 35 " "	12·00	8 00	2·2	1·5
	(*d.*) 43 " "	16·00	10·70	3·0	2·0
	(*e.*) More than 43 threads	20·00	13·30	3·7	2·5
	A—5. Other	14·00	9·30	2·6	1·7
	B. Bleached simply	Duty on gray tissues + 3 yen.		Duty on gray tissues + 0·6*d.*	
	C. Other	Duty on gray tissues + 7 yen.		Duty on gray tissues 1·3*d.*	
	9. Other :				
	A. Gray :				
	A—1. Weighing not more than 5 kilog. per 100 sq. metres, and having in a square of 5 millim. side in warp and woof :	Per 100 kin Yen.	Per 100 kin Yen.	Per lb. *d.*	Per lb. *d.*
	(*a.*) 19 threads or less	24 00	16·00	4·4	3·0
	(*b.*) 27 " "	32·00	21·30	5 9	3·9
	(*c.*) 35 " "	44·00	29·30	8·1	5 4
	(*d.*) 43 " "	59·00	39·30	10·9	7·3
	(*e.*) More than 43 threads	80·00	53·30	14·8	9·9
	A—2. Weighing not more than 10 kilog. per 100 sq. metres, and having in a square of 5 millim. side in warp and woof :				
	(*a.*) 19 threads or less	12·00	8·00	2·2	1·5
	(*b.*) 27 " "	15·00	10·30	2·8	1·9
	(*c.*) 35 " "	19·00	14·30	3 5	2·6
	(*d.*) 43 " "	24·00	18·00	4·4	3·3
	(*e.*) More than 43 threads	30·00	20·00	5·6	3·7
	A—3. Weighing not more than 20 kilog. per 100 sq. metres, and having in a square of 5 millim. side in warp and woof :				
	(*a.*) 27 threads or less	12·00	8·00	2·2	1·5
	(*b.*) 35 " "	15·00	11·00	2·8	2·1
	(*c.*) 43 " "	20·00	15·00	3·7	2·8
	(*d.* More than 43 threads	25·00	18·80	4·6	3 5

No. in Japanese Statutory Tariff.	Description of articles.	Rates of Duty.		Approximate English equivalent of aates of duty.	
		Under New Japanese Strtutory tariff	Under New Anglo-Japanese Statutory treaty.	Under New Japanese Statutory Tariff	Under New Bnglo-Japanese treaty.
	A—4. Weighing not more than 30 kilog. per 100 sq. metres, and having in a square of 5 millim. side in warp and woof :				
	(*a.*) 27 threads or less	11·00	7·30	2 0	1·4
	(*b.*) 35 " "	13·00	8·70	2·1	1·6
	(*c.*) 43 " "	17·00	11·30	3·1	2·1
	(*d.*) More than 43 threads	22·00	14·70	4·1	2·7
	A—5. Other	15·00	10·00	2·8	1·9
	B. Bleached simply	Duty on gray tissues + 3 yen.		Duty on gray tissues + 0·6*d.*	
	C. Other	Duty on gray tissues + 7 yen.		Duty on gray tissues + 1·3*d.*	
301	TISSUES OF WOOL, AND MIXED TISSUES OF WOOL AND COTTON, OF WOOL AND SILK, OR OF WOOL, COTTON, AND SILK :				
	2. Other :	Per 100 kin Yen.	Per 100 kin Yen.	Per lb. *d.*	Per lb. *d.*
	A. Of wool :				
	(*b.*) Weighing not more than 200 grammes per sq. metre	70·00	57·50	13·0	10·6
	(*c.*) Weighing not more than 500 grammes per sq. metre	60·00	45·00	11·1	8·3
	(*d.*) Other	50·00	40·00	9·3	7·4
	B. Of wool and cotton :				
	(*c.*) Weighing not more than 500 grammes per sq. metre	37·50	30·00	6·9	5·6
	(*d.*) Other	22·50	18·00	4·2	3·3
462	IRON :	Per 100 kin Yen.	Per 100 kin Yen.	Per ton. £ *s.* *d.*	Per ton. £ *s.* *d.*
	1. In lumps, ingots, blooms, billets, and slabs :				
	A. Pig iron	0·10	0·083	0 3 5½	0 2 10½
	4. Plates and sheets :				
	A. Not coated with metals :				
	A—3. Other :				
	(*a.*) Not exceeding 0·7 millim. in thickness	0·40	0·30	0 13 10	0 10 4½
	B. Coated with base metals :				
	B—1. Tinned (tinned iron sheets and tinned steel sheets) :				
	(*a.*) Ordinary	0·90	0·70	1 11 1½	1 4 2½
	B—2. Galvanised (corrugated or not)	2·00	1·20	3 9 2	2 1 6

RETURN

(95e)

OTTAWA, May 10, 1911.

SIR,—Referring to our several interviews and to the note verbale of April 24, last, communicated to me by you this day in an amended form, I have to observe that the terms and conditions of the Treaty of April 3, 1911, between Great Britain and Japan do not seem to be in their entirety adapted to the circumstances of Canada, and therefore we have some hesitation in advising that immediate adherence to it on the part of Canada which your Government desires.

Article 8 of the Treaty of April 3 provides that—

"The articles, the produce or manufacture of the United Kingdom, enumerated in Part I of the Schedule annexed to the Treaty, shall not, on importation into Japan, be subjected to higher customs duties than those specified in the Schedule.

"The articles, the produce or manufacture of Japan, enumerated in Part II of the Schedule annexed to this Treaty, shall be free of duty on importation into the United Kingdom."

There might be a question whether in the event of Canada giving adherence to the Treaty, the schedule referred to in Article 8 would thereupon become applicable to Canada. Granting however that it would so apply, an examination of its details show that while no doubt well adapted to the conditions of the trade between Great Britain and Japan, the schedule is not wholly suitable to the commercial interchanges between Japan and Canada. Part I of the Schedule, for example, which contains a list of British products upon which maximum duties are fixed, does not include many products in the export of which Canada is largely interested; and on the other hand, Part II of the Schedule, containing a list of Japanese products to which Great Britain agrees to give admission free of duty, includes silks and other articles which are dutiable on importation into Canada although free of Customs duty in Great Britain.

It would therefore appear that the schedule of the Treaty of April 3, is not wholly applicable to the conditions of trade between Japan and Canada, and that if a commercial arrangement is to be made to suit these conditions it will probably have to be accomplished by means of a separate treaty. It would be reasonable to expect that the negotiations and formal steps necessary to the making of such treaty would not be completed before July 17 next when the present Treaty will expire.

The Canadian Government therefore propose to avail themselves of the suggestion contained in the 3rd paragraph of the note verbale of April 24 communicated to me this day:

"The Imperial Japanese Government have no hesitation in expressly declaring that it is their policy not to extend the term of their present treaty with any country, even though the new treaty could not be concluded before the expiration of the existing one. However, in case unavoidable circumstances prevent the conclusion of the new Treaty in due time, the Imperial Government may, as a matter of convenience, enter, with the parties concerned, into a temporary agreement engaging the reciprocal grant of the most favoured nation treatment, for the purpose of regulating their commercial and tariff relations pending the conclusion of the new Treaty. But they are firmly determined not to extend the term of their existing Treaty with any country."

In pursuance of what I understand to be the policy of your Government as thus set forth, I would suggest that, leaving all other matters affecting the intercourse between Japan and Canada to the mutual good will of the two countries and the comity of nations, a temporary arrangement be made providing that from and after July 17, 1911, Canada shall receive in Japan the tariff treatment as expressed in Article V of the Treaty of Commerce and Navigation between Great Britain and Japan signed at London on July 16, 1894, which was made applicable to Canada by the Convention between the United Kingdom and Japan respecting Commercial Relations between Canada and Japan signed at Tokio on January 31, 1906, and that reciprocally Japan shall receive in Canada the tariff treatment as expressed in the said Article B.

The question of the form in which such an agreement may most conveniently be made is a matter which can receive further consideration upon our receiving an intimation that the Japanese Government are willing to agree to the proposal herein made.

The question of immigration has been discussed between us on several occasions. I do not deem it necessary that this should be more than mentioned here, inasmuch as the assurance received from you of the willingness of your Government to continue the friendly understanding on that matter at present existing is entirely satisfactory to us.

I have the honour to be, sir,

Your obedient servant,

(Sd.) W. S. FIELDING,
Minister of Finance.

The Honourable T. NAKAMURA,

Imperial Japanese Consul General,
Ottawa.

IMPERIAL COSULATE GENERAL OF JAPAN FOR THE DOMINION OF CANADA.

April 24, 1911.

Note-verbale relating to the Treaty Relations between Canada and Japan.

Regarding those inquiries which were made by the Honourable W. S. Fielding, Minister of Finance, on the occasion of his interview with Mr. T. Nakamura, Consul General of Japan, at Ottawa, which took place on April 17, at the Prime Minister's Office, the latter has been instructed by the Imperial Japanese Government to express their views in the following sense:—

"While the Imperial Japanese Government keenly desire to see a further development in the commerce between their country and Canada, they are of the opinion that in view of the present state of trade between the two countries, no tariff arrangements which may be satisfactory to both parties can for the present be established. It is therefore highly desirable that the Canadian Government will appreciate this reason by looking into the letter dated February 27 from the Consul General of Japan to the Minister of Finance as well as into the note of the Japanese Ambassador in London, a copy of which the Consul General handed to the Minister on April 17, and may come to a final decision to adhere to the new Treaty between Great Britain and Japan, without insisting upon the conclusion of special tariff convention, the negotiations of which the Imperial Government desire to defer until the commercial development between Canada and Japan may reach such a stage as to warrant the conclusion of that convention to the mutual satisfaction of both parties.

"In the event of Canada's adherence to the new Treaty, while the treaty relations between Canada and Japan will, on the one hand, be happily continued without interruption after July next, Canada may, on the other, secure the same position as the United States has in her new Treaty with Japan in respect of customs duty, a position similar to that which Canada is now enjoying in her present Treaty with Japan in acquiring the guarantee of the most favoured nation treatment.

"The Imperial Japanese Government have no hesitation in expressly declaring that it is their policy not to extend the term of their present Treaty with any country, even though the new Treaty could not be concluded before the expiration of the existing one. However, in case unavoidable circumstances prevent the conclusion of a new treaty in due time, the Imperial Government may, as a matter of convenience, enter, with the parties concerned, into a temporary agreement engaging the reciprocal grant, of the most favoured nation treatment, for the purpose of regulating their commercial and tariff relations pending the conclusion of a new treaty. But, they are firmly determined not to extend the term of their existing Treaty with any country.

"Regarding the tariff question between Canada and Japan, the Imperial Government, as aforesaid, do not anticipate that the negotiations may be concluded satisfactorily at the present time. It is therefore very probable that the existing Treaty between Canada and Japan may eventually expire before their new treaty relations have been established. To prevent such an eventuality, a temporary agreement may be contemplated between Canada and Japan, by which the reciprocal grant of the most favoured nation treatment will be made, in order that the question of the special tariff convention may be carefully considered in future. But, this object can better be attained by Canada's adherence beforehand to the new Treaty between Great Britain and Japan, as the most favoured nation treatment is guaranteed in that Treaty and this adherence does in no way prevent the future negotiations concerning the conclusion in proper time of a special tariff convention between Canada and Japan.

"Under these circumstances, the Imperial Japanese Government earnestly hope that the Canadian Government, taking into consideration the special relations now existing between Great Britain and Japan, may find it suitable to adhere, before the termination of the present Treaty between Canada and Japan, to the new Treaty between the latter and Great Britain, with a view not to leave the matter unsettled, but to place the existing happy relations between Canada and Japan upon as strong a foundation as possible, and may also decide to defer the negotiations concerning the Special tariff convention between Canada and Japan until their commercial development may reach such a stage as to warrant the conclusion of that convention to the mutual satisfaction of both parties."

IMPERIAL CONSULATE GENERAL OF JAPAN FOR THE DOMINION OF CANADA.

OTTAWA, February 27, 1911

DEAR SIR,—I had the honour of an interview with the Right Honourable Sir Wilfrid Laurier on January 21, when I talked with him informally with regard to the subject concerning Canada's adhesion to the new commercial treaty now in contemplation between the British and the Japanese Governments. On that occasion, the Prime Minister told me that the Canadian Government had requested the British Government to cause strong representations to be made to my Government against the Japanese Revised Tariff, and he was good enough to send me, in compliance with my request, a copy of the document (an Order in Council), dated January 11, 1911, on the subject of the Customs Tariff Law of Japan, setting forth the views of the Canadian Government on the subject. Having perused this document, I found that the articles cited therein as those of the principal exports from Canada to Japan,

upon which the customs duties had been increased in the Revised Tariff, corresponded with those which were mentioned in your letter of November 15th last. The Prime Minister also asked me to add wood-pulp, mechanical and sulphite, to the list of articles mentioned in the said document, and expressed his hope that the rates of duty on all of them might be reduced to those specified in the existing conventional tariffs.

Immediately after this interview, I wired to my Government the purport of what the Prime Minister told me, and, to this, I received a telegraphic answer stating that detailed information would be sent to me by mail so that I might be able to present to the Canadian Government a thorough explanation on the matter. Thereupon, I wrote to the Prime Minister informing him of this fact and intimated to him, at the same time, that after the receipt of the said information, I should communicate it to you.

Having received by mail, a few days ago, the information just referred to, I have examined it carefully, and I beg to say that I am now able to bring to your attention the following statement bearing on the subject. It is earnestly hoped that this statement may be instrumental in disposing of the objections proposed by the Canadian Government against the Japanese Revised tariff.

1. The articles enumerated by the Canadian Government as those of the principal exports from Canada to Japan, upon which the customs duties have been increased in the Revised Tariff, are as follows:—

A. Milk and cream, condensed,
B. Pig lead,
C. Dynamite,
D. Gunpowder,
E. Flour of wheat,
F. Sewing machines,
G. Wood pulp.

Of these articles, while the first three are included in the list of the existing conventional tariffs, all the others are not.

2. *Milk and Cream, condensed.*—Regarding the existing conventional tariffs, as is fully explained in the pamphlet which I sent to you for your information on January 23, the rates of duty arranged therein are generally too low, and, the establishment of such low rates was an unavoidable outcome of the conditions which existed at the time when they were created. For this reason it may be easily understood that further continuation of the schedules in the existing conventional tariffs is unsuited to the present condition and permanent economic interests of my country. Consequently, the present Statutory Tariff was established with the expectation of replacing them immediately upon their termination. But considering the existence of the very low conventional tariffs, the rates of the present Statutory Tariff were reduced for the purpose of maintaining the orderly progress of the Japanese economic world.

I will take, for instance, milk and cream, condensed. The rate of duty on this article in the present Statutory Tariff is forty per cent while, in the Revised Tariff it is reduced to twenty per cent. (Table A.) Besides, this latter rate is, generally speaking, lower than that on the same article in the tariffs of other foreign countries. (Table C).

3. *Pig lead.*—The rate of duty on this article in the Revised Tariff is the same as that on the same article in the existing conventional tariffs, which is five per cent. The duty (Yen 0.40 per 100 kin) in the Revised Tariff appears superficially, to have been raised as compared with that (Yen 0.316 per 100 kin) in the conventional tariffs. But this increase is a natural result of the calculation of the specific rates based upon the advanced value of the article.

4. *Dynamite and Gunpowder.*—(the latter, not included in the list of the present conventional tariffs.)

The duties on these articles in the Revised Tariff have been slightly raised as compared with those on the same articles in the existing conventional tariffs as well as in the present Statutory Tariff; but they have not been imported at all from Canada to Japan. The explosive which has been imported to Japan from Canada is Detonator, of which an explanation will be given in the following paragraph.

5. *Detonator.*—(not included in the list of the present conventional tariffs.)

The duty on this article in the Revised Tariff has been reduced from Yen 30·30 to Yen 25·50 per 100 kin, as compared with that on the same article in the present Statutory Tariff. (Table A.)

6. *Flour of Wheat and Sewing Machines.*—(not included in the list of the existing conventional tariffs.)

Although the duties on these articles in the Revised Tariff have been slightly raised as compared with those in the present Statutory Tariff, they are, generally speaking, still lower than the duties on the same articles in the tariffs of other foreign countries. (Table C.)

7. *Wood pulp.*—(not included in the list of the existing conventional tariffs.)

In the Revised Tariff, Pulp for paper making is divided into two classes, mechanical and other (chemical). Although the duty on chemical pulp is raised from Yen 0·25 to Yen 0.27 per 100 kin as compared with that in the present Statutory Tariff, yet, the duty on mechanical pulp is reduced from Yen 0.25 to Yen 0.22 per 100 kin.

In the present Statutory Tariff, no such classification had been made, a duty of Yen 0·25 per 100 kin being levelled on both mechanical and chemical pulps. The latter, however, being superior in quality and higher in price, the greater part of the pulp for paper making imported to Japan has been of that class, seeing that it has been unfairly placed in a more favourable position as regards the duty. Therefore, the classification in the Revised Tariff has been made solely with a view to dispensing with this unfairness of taxation and not with a view to the increasing of duties.

8. In the Revised Tariff, there are many articles which have been placed in the free list upon which duties have been reduced. Among these, those articles which, produced or manufactured in large quantities in Canada and exported, to considerable extent, to foreign countries, have a promising future in the Japanese markets, are as follows (Table B.):—

Animal hairs; Feathers and downs; Animal tusks; Animal horns; Hides and skins of bulls, oxen, cows and buffaloes; Beef; Meats; Poultry and game, preserved in tin, bottle or jar; Dried fruits; Senega root; Detonators; Mechanical pulp; Animal fats, except lard; Cedar.

9. From the foregoing statement, it may be concluded that the Revised Tariff, generally speaking, will have a good effect upon the exports of Canada and Japan.

Although there are, in fact, a few articles of Canadian export upon which duties have been increased, to a certain extent, in the Revised Tariff, this is entirely due, as is fully explained in the pamphlet referred to in paragraph 2, either to the unavoidable special conditions according from the present economic and financial state of affairs in my country or to the natural results attendant on the calculation of the specific rates based upon the advanced values of articles.

10. I beg to enclose herewith for your information the following tables:—

1. TABLE A.—Showing the relative rates of duty on Milk and Cream, condensed; Lead; Dynamite; Gunpowder; Detonators; Flour of wheat; Sewing machines and Pulp in the Revised Tariff, the present Statutory Tariff and the existing conventional tariffs.

2. TABLE B.—Showing the articles of Canadian export which have been placed in the free list or upon which duties have been reduced in the Revised Tariff.

3. TABLE C.—Showing Japanese Tariff rates on Flour of wheat, Condensed milk and Sewing machines in comparison with those in Foreign Powers.

Yours very respectfully,

(Sd). T. NAKAMURA,
Consul-General for Japan.

The Honourable WILLIAM STEVENS FIELDING,

Minister of Finance,
Ottawa.

TABLE A.—Showing the relative rates of duty on Milk and Cream, condensed; Lead; Dynamite; Gunpowder; Detonators; Flour of wheat, Sewing machines and Pulp in the Revised Tariff, the present Statutory Tariff and the existing conventional tariffs.

ARTICLES.	REVISED TARIFF.		PRESENT STATUTORY TARIFF.		CONVENTIONAL TARIFF	
	Unit.	Rates of duty.	Unit.	Rates of duty.	Unit.	Rates of duty.
Milk and cream condensed	100 kin (including receptacles)	Y. 5·55	100 kin (including receptacles).	Y.10·00	dox.1lb tins.	Y.0·123
Pig lead	100 kin	Y. 0·40	100 kin	Y. 0·38	100 kin	Y.0·316
Dynamite	100 kin	Y. 6·10	100 kin	Y, 5·90	1 kin	Y.0·056
Gunpowder	100 kin	Y. 8·05	100 kin	Y. 6·30		
Detonators	100 kin (including inner packages)	Y.25·50	100 kin (including inner packages)	Y.30·30		
Flour of wheat	100 kin	Y. 1·85		Y. 1·45		
Sewing machines :—						
1. Without stands including tops of sewing machines	100 kin	Y.16·30	100 kin	Y.11 10		
2. Other	(including inner packages)	Y.11·10	(including inner packages)	Y. 8·25		
Pulp for paper making :—						
1. Mechanical pulp	100 kin	Y. 0·22	100 kin	Y. 0·25		
2. Other	100 kin	Y. 0·27				

SESSIONAL PAPER No 95e

TABLE B.—Showing the articles of Canadian export which have been placed in the free list, or upon which duties have been reduced in the Revised Tariff.

Articles.	Unit.	Present Statutory Tariff.	Revised Tariff.
		Yen.	
Hair, animal	100 kin.	Hair of pig or hog ... Free. Badger ... 33·50 Horse ... 5·85 All other, ad val ... 10%	Free.
Feathers and downs		ad val ... 50%	For ornaments 40 Other 20%
Tusks, animal	100 kin.	Tusks or ivory, elephant ... 45·20 Tusks waste ... 9·00 Walrus or sea-horse ... 20·40 Other, ad val ... 20%	Free.
Horns, animal	100 kin.	Horns—Bull, ox, cow and buffalo ... 2·00 Deer ... 4·10 All other, ad val ... 20%	Free.
Hides and skins of bulls, oxen, cows and buffaloes	100 kin.	... 1·20	Free.
Beef	100 kin.	ad val ... 30%	3.80 20%
Meats, poultry and game	100 kin (including receptacles)	... 9·75 ... 40%	35%
Dried fruits	100 kin.	... 8·10	6.90.
Senaga, root	100 kin.	... 22·50	19.40.
Detonators	100 kin. (including inner packages)	... 30·30	25.50.
Mechanical pulp	100 kin.	... 0·25	0.22.
Animal fats, except lard	100 kin.	... 1·34	0.80.
Cedar	One inch in thickness, 100 superficial ft.	... 0·60	Free.

TABLE C.—Showing Japanese Tariff rates on Flour of wheat, Condensed milk and Sewing machines in comparison with those of Foreign Powers.

WHEAT FLOUR.

Countries.	Tariffs.	Units.	Rates of duty.
			Yen.
Japan	New tariff	100 kin	1·85
France	General	"	3·72
	Minimum	"	2·55
Germany	General	"	5·38
	Conventional	"	2·93
Austria-Hungary	General	"	3·66
Italy	"	"	2·67
Russia	"	"	1·70
U.S.A.	Maximum	25% ad valorem in addition to the minimum rate.	
	Minimum	25%.	
Canada	General	100 kin	0·81
	Intermediate	"	0·68

CONDENSED MILK.

Countries.	Classification in Foreign Tariffs.	Tariffs.	Units.	Rates of duty.
				Yen.
Japan		New tariff	100 kin including receptacles.	5·55
		Ad valorem taken as bases of specific duty		20
	Pure	General	100 kin, &c. (*a*)	2·99
		Minimum	" (*a*)	1·45
France	Less than 40% of sugar	General	"	14·28
		Minimum	"	4·50
	From 40% to 50% exclusive of sugar.	General	"	14·28
		Minimum	"	5·22
Germany		General	"	17·21
Austria-Hungary	Without addition of sugar	General	"	29·30
		Conventional	"	2·44
	Without addition of sugar	General	"	3·48
		Conventional	"	1·16
Italy	Not more than 40% of added sugar.	General	"	29·03
		Conventional	"	9·29
	40% and more of added sugar	General	"	29·03
		Conventional	"	13·93
Russia		General	" (*a*)	44·89
U.S.A		Maximum	25% ad val. in addition to the minimum rate.	
		Minimum	100 kin, &c.	5·31
Canada		General	"	8·62
		Intermediate	"	7·96

(*a*) The weight calculated by deducting 20% from the gross weight.

SEWING MACHINES.

Articles.		English Equivalents.		
JAPAN.		£	s.	d
Sewing machines :				
(1) Without stands, including tops of sewing machines	Cwt.	1 (Ad. val. 25%)	8	2¼
(2) Other	"	0 (Ad. val. 25%)	19	2½
RUSSIA.				
Sewing machines : also spare parts imported together with the machines	"	1	1	0
SPAIN.				
Sewing machines, of any weight	"	1	8	6
AUSTRIA-HUNGARY.				
Sewing machines :				
(1) Finished parts of machines : Tops for flat-stitch or wendling stitch sewing machine with one needle	"	1	10	11
Tops for other sewing machines	"	1	5	5
(2) Sewing machines with stands : Sewing machines (flat-stitch or wendling-stitch) with one needle	"	1	1	2
Other sewing machines with stands	"	0	15	3
UNITED STATES.				
Sewing machine		(Ad. val. 30%)		
CANADA.		(General T.)	(Intermediate T.)	
Sewing machines and parts thereof		Ad. val. 30%	Ad. val. 27½%	

SESSIONAL PAPER No 95e

CERTIFIED *copy of a Report of the Committee of the Privy Council, approved by His Excellency the Administrator on January* 11, 1911.

The Committee of the Privy Council have had before them a Report, dated December 27, 1910, from the Secretary of State for External Affairs, to whom was referred a despatch, dated June 1, 1910, from the Right Honourable the Principal Secretary of State for the Colonies, transmitting copy of the draft Customs Tariff Law of Japan, and enquiring whether the proposed tariff will affect adversely any commercial interests in the Dominion.

The Minister submits hereunder a statement of those articles among the principal exports from Canada to Japan upon which the Japanese Government propose to increase the tariff. The statement shows those items upon which the tariff is more largely increased. The old and proposed new tariff are indicated thereafter, together with the amount of Canadian exports:—

Articles.	Present tariff.	Proposed new tariff.	Canadian exports to Japan, year March 31, 1910.
Milk and cream condensed, per doz. of 1 lb. tins	3d.	*19.2	$ 16,830
Flour of wheat, per cwt.	2 6	2 10½	58,136
Sewing machines, per cwt	19/2½	1 8 2½d.	55,819
Pig lead, per cwt	6½d.	8 30	182,836
Explosives—			
Gunpowder, per cwt.	10 10¾	13 11	
Dynamite " "	9 8¼	10 6½	
			$332,291
Total Canadian exports to Japan			$660,522

* Per cwt.

The Minister observes that the Minister of Trade and Commerce considers that while the total exports from Canada to Japan for the fiscal year ended March 31, 1910, amounted to only $660,522, there is every reason to believe that the trade should very largely increase in the near future; but it appears that some of the more promising of the Canadian exports—notably in the case of sewing machines and condensed milk and cream—will be met with a prohibitive tariff as is shown by the above figures.

The Committee, on the recommendation of the Secretary of State for External Affairs, advise that Your Excellency may be pleased to forward a copy hereof to the Right Honourable the Principal Secretary of State for the Colonies, with the suggestion that strong representations should be forwarded to the Japanese authorities against such heavy increases in the tariff as those now proposed.

All of which is respectfully submitted for approval.

(Sd.) RODOLPHE BOUDREAU.
Clerk of the Privy Council.

COPY *of the note sent to the British Board of Trade from the Japanese Ambassador in London, with regard to the tariff and immigration questions between Canada and Japan.*

1. Regarding the tariff arrangements with Canada, the policy of the Imperial Japanese Government could not go beyond giving her the guarantee of the "most favoured nation" treatment and they have no inclination to conclude a reciprocal

tariff convention. While, for the conclusion of such an arrangement special products of each countries, the importation of which into the other predominates over that of similar articles from other countries, must be selected so as to minimize the effects resulting from the participation of other countries enjoying the benefits of the "favoured nation" clause in the concessions granted, the existing state of commercial relations between Japan and Canada precludes the contracting parties from resorting to that course.

Regarding the six articles, on which the Canadian Government seem to lay importance (1) Flour of wheat imported from Canada is less than seven per cent of the importation of the same article into Japan. Moreover, the Diet introduced an alteration in the rate of duty originally proposed by the Government for that article and that circumstance shall preclude the Government from entering into a conventional arrangement with any country in the matter. It may further be observed that the new rate is lower than that obtaining in other countries (2) The importation of condensed milk and cream, sewing machines, explosives and pulp from Canada is very small. Gunpowder and dynamite imported from that country have been so unimportant in quantity as they have not hitherto formed a separate item in Customs statistics. The duty on mechanical pulp has been reduced. It may also be observed that the new rates of duty on the articles above-mentioned are not higher than those imposed in other countries. (3) It is true that the importation of pig lead from Canada is comparatively large, being thirty-five per cent of the whole import, but it does not occupy a leading position Moreover it is to be observed that the *ad valorem* basis of the rate on this article remains the same as before. The increase in the specific duty is solely due to appreciation in the market value of the article.

In view of these considerations, the Imperial Japanese Government find it unable to enter into a conventional arrangement as regards these articles, and generally, they deem it extremely difficult to conclude a reciprocal tariff convention with Canada. Therefore, they earnestly hope His Britannic Majesty's Government will appreciate the reasons above set forth and explain the situation to the Canadian Government with a view to induce the latter to adhere to the new treaty between Japan and Great Britain, being satisfied with the reciprocal grant of the "most favoured nation" treatment. In addition, it may be stated that the Imperial Government, being keenly desirous to see a further development in the commerce between their country and Canada, and to bring still closer the general relations between the two countres, will not hesitate to take the matter into their consideraion when the commercial development may reach such a stage as to warrant the conclusion of a tariff convention to the mutual satisfaction of both parties.

2. The Imperial Government intend to maintain their policy in regard to the restriction of Japanese Immigration to Canada after the expiration of the present Treaty with the latter. The understanding arrived at between the two Governments in 1908, on the subject of Immigration is quite independent of the existing Treaty concluded between Japan and Canada in 1906 and does not terminate on the expiration of that Treaty between Japan and Canada. Moreover, as there is no occasion such as that which happened in having the proviso of Article 2 of the existing Treaty between Japan and the United States struck out, the Imperial Government are of opinion that there is no necessity for their giving assurance to Canada on the subject, nor do they think that any misunderstanding shall arise in absence of such assurance.

Copy.

IMPERIAL CONSULATE GENERAL OF JAPAN FOR THE DOMINION OF CANADA.

385 Laurier Avenue East, Ottawa, July 5, 1910.

Dear Mr. Fielding,—I have been studying for some time the contents of the Japanese revised tariff which passed the Imperial Diet in its last session and which

will be put into force during next year. As a result I have found that special attention has been given in the formation of the revised tariff to the commercial relations between Canada and Japan and I would like to bring this fact to your notice as it may prove of interest to you.

I am very glad to note in the revised tariff that, compared with the present Statutory Tariff the duties on principal Canadian imports into Japan have been lowered and especially those on the articles which are now enjoying the benefit of the existing Conventional Tariff have been reduced to a great extent. This latter reduction will show that special care has been taken by the Japanese Government with a view to averting the cause of sudden commercial depression which may arise from the high rates of duty contained in the present Statutory Tariff after the existing Conventional Tariff will cease to operate during the next year. I herewith affix for your information a copy of the table prepared by my Government in order to show the comparison between the present Statutory Tariff and the Revised Tariff concerning the duties on principal Canadian imports into Japan.

With regard to wheat and flour which are the most important Canadian products, the duties have been raised to a certain extent in the Revised Tariff as compared with the present Statutory Tariff, but according to my knowledge they are still lower than those levied in other foreign countries. Generally speaking, therefore, I may be justified in saying that, so far as the Canadian imports into Japan are concerned, the Revised Tariff should be regarded as satisfactory.

I remain,

Yours very respectfully,

(Sgd.) T. NAKAMURA,

Consul-General for Japan.

Copy.

Principal imports from Canada, duties on which have been reduced in Revised Tariff.

N.B.—For convenience of comparison, duties are here given at *ad valorem* rates which serve only as a basis of computation in cases where specific duties are imposed, and have nothing to do with the application of the tariff.

Articles.	Revised tariff.	Present statutory tariff.
	p.c.	p.c.
Condensed milk	20	40
Fur	40	50
Beef, fresh	20	30
Meats, poultry, game and fish, preserved in can or bottle	35	40
Vegetables preserved in can or bottle	40	45
Hides and skins, of bulls, oxen, cows and buffaloes	Free	5
" " " of others	5	10
Tusks, horns, hoofs and sinews of animals	Free	10 or 20
Animal fats, except lard	5	10
Cotton tissues	20	30
Wood—		
Lignum vitae	Free	10
Mahogany	10	15
Oak	5	15
Cedar, not exceeding 20 c.m. in length, 7 c.m. in width and 7 m.m. in thickness	Free	10

Copy.

FINANCE DEPARTMENT, OTTAWA, CANADA,
OTTAWA, November 15, 1910.

DEAR MR. NAKAMURA,—You were good enough to write to me on July 5 last, on the subject of the Japanese Revised Tariff, drawing my attention to the effect thereof on the commercial relations between Canada and Japan. You were also good enough to send a statement of the main items of trade showing the Revised Tariff as compared with the present Statutory Tariff.

Since the receipt of your letter I have had the opportunity of consulting our trade returns for the year 1910, and I beg to enclose herewith a statement showing the value of articles exported, being products of Canada, from Canada to Japan during the year ended March 31, 1910. I have also had the advantage of examination of proposed Japanese Tariff from a document issued by the Board of Trade in London, and I find there has been an increase of duty in the proposed Tariff on the following articles of export from Canada to Japan:—

Pig lead; Milk and Cream, condensed; Flour of wheat; Explosives and Sewing machines.

Reductions of duty have been made on a number of articles, but the lines effected thereby are not of material importance to the Dominion of Canada.

Yours faithfully,

(Sgd.) W. S. FIELDING,
Minister of Finance.

Articles exported (produce of Canada) from Canada to Japan during the year ended March 31, 1919.

	Value.
The Mine—	
Coal	$ 19,235
Metals, lead, pig	182,836
Fish—	
Herrings, pickled	107,731
Salmon, canned	3,816
Salmon, pickled	101,164
Other articles	102
The Forest—	
Other logs	15
Planks and boards	23,000
Shingles	30
All other lumber	965
Masts and spars	100
Animals and their produce—	
Butter	1,102
Cheese	1,208
Meats, Bacon,	85
Beef, (salted meats)	25
Milk and cream, condensed	16,800
Other articles	21

Agricultural products—	
Fruits—Apples, green	24
Apples, canned	32
Fruits, all other, N.E.S.	1
Flour of wheat	58,136
Cereal foods	162
Trees	15
Manufactures—	
Agricultural implements	258
Books	1,248
Cartridges	6,005
Clothing	545
Cotton fabrics	9,804
Drugs, &c.	9,314
Explosives	18,700
Fertilizers	10
Fur, manufactures of	75
Hats and caps	10
Household effects	4,211
India rubber, manufactures of	1,523
Iron and steel—	
Stoves	83
Castings	15
Machinery, N.E.S.	132
Sewing machines	55,819
Hardware, N.E.S.	15
Steel and manufactures of, N.E.S.	15,471
Lamps and lanterns	351
Leather, boots and shoes	11
Spirits—	
Whisky	522
Wood alcohol	300
Metals, N.O.P.	1,918
Musical instruments, organs	50
Paper—	
Wall paper	13
N.E.S.	1,337
Silk, manufactures of	20
Soap	6,175
Household furniture	82
Wood pulp, chemically prepared	914
Wood, other	2
Woolens	11
Other articles	7,659

Miscellaneous articles—	
Coffee	10
Total	$ 659,118

IMPERIAL CONSULATE GENERAL OF JAPAN FOR THE DOMINION OF CANADA.

OTTAWA, May 15, 1911.

SIR,—I beg to acknowledge receipt of your letter of the 10th instant, setting forth the views of your Government in regard to some hesitation which they have in advising immediate adherence on the part of Canada to the Treaty of April 3, 1911, between Great Britain and Japan, and suggesting that, leaving all other matters affecting the intercourse between Canada and Japan to the mutual good will of the two countries and the comity of nations, a temporary arrangement be made providing that from and after the 17th day of July, 1911, Canada shall receive in Japan the tariff treatment as expressed in Article V of the Treaty of Commerce and Navigation between Great Britain and Japan signed at London on July 16, 1894, which was made applicable to Canada by the Convention between the United Kingdom and Japan respecting Commercial Relations between Canada and Japan, signed at Tokio on January 31, 1906, and that reciprocally Japan shall receive in Canada the tariff treatment as expressed in the said Article V.

In reply, I have the honour, duly authorized by my Government, to state that the Imperial Japanese Government fully concurs in the proposal therein made by you in regard to a temporary tariff arrangement engaging the reciprocal grant of the most favoured nation treatment.

I have the honour to be, sir,

Your obedient servant,

(Sd.) T. NAKAMURA,
Consul-General of Japan.

The Honourable W. S. FIELDING,

Minister of Finance,
Ottawa.

RETURN

(97)

MINUTES OF CONFERENCES held at Washington the 9th, 10th, 11th and 12th of January, 1911, as to the application of the Award delivered on the 7th September, 1910, in the North Atlantic Coast Fisheries Arbitration to existing Regulations of Canada and Newfoundland.

The undersigned having considered in detail and with expert assistance the steps to be taken in consequence of the award in connection with the objections of the United States Government to existing Regulations of the fisheries in Canadian and Newfoundland Treaty Waters as recorded in Protocol XXX of the proceedings before the Tribunal of Arbitration, and having conferred as to the best means of dealing with these objections, have arrived at the following conclusion:

It is unnecessary to refer any existing regulations to the Commission of Experts mentioned in the award in application of Article III of the Special Agreement of January 27, 1909, or to reconvene the Tribunal of Arbitration; but any difference in regard to the regulations specified in Protocol XXX, which shall not have been disposed of by diplomatic methods, shall be referred to the Permanent Mixed Fishery Commissions to be constituted as recommended by the Hague Award, under Article IV of the Special Agreement in the same manner as a difference in regard to future regulations would be so referred under the recommendations in the award, unless by mutual consent some other rules and method of procedure are adopted.

JAMES BRYCE.
PHILANDER C. KNOX,
E. P. MORRIS.
CHANDLER P. ANDERSON.
A. B. AYLESWORTH.
L. P. BRODEUR.

January 12, 1911.

MINUTES OF CONFERENCES held at Washington the 13th and 14th of January, 1911, as to the objections of the United States to existing laws and fishery regulations of Canada as recorded in Protocol XXX of the proceedings upon the North Atlantic Coast Fisheries Arbitration.

The undersigned, having considered the best means of dealing with the objections above referred to, subject to the minute of previous conferences signed January twelfth, have arrived at the following conclusion:

Having regard to the present method of administering the Canadian laws and fishery regulations and to certain amendments which Canada is willing to make therein and to the present state of the fisheries and conditions under which they are carried on and places of fishing, the United States does not press at present any of the objections referred to in Protocol XXX which relate to Canadian laws and fishery regulations, it being understood that the right of the United States to renew such objections is not thereby in any way prejudiced should conditions change.

The amendments in regulations above referred to are:—

Subsection one of section five of the Special Fishery Regulations, Province of Quebec, approved on the twelfth day of September, one thousand nine hundred and seven, is repealed and the following substituted therefor:

1. Fishing by means of cod trap-nets without a license from the Minister of Marine and Fisheries is prohibited in the waters of the Gulf of St. Lawrence, except at the distance of one thousand yards from shore or one thousand yards from any similar net set from the shore.

Subsection four of section five is repealed and the following substituted therefor:

4. If the leader of a cod trap net extends from the shore, any fishery officer may determine in writing or orally the length of the leader that shall be used.

Subsection (*a*) of section eight of the said Special Fishery Regulations is hereby repealed and the following substituted therefor:

I. (*a*) Fishing by means of herring trap-nets without a license from the Minister of Marine and Fisheries is prohibited in the waters of the Gulf of St. Lawrence, except at the distance of one thousand yards from shore or one thousand yards from any similar net set from the shore.

Subsection (*d*) of section eight is hereby repealed and the following substituted therefor:

(*d*) If the leader of the herring trap-net extends from the shore, any fishery officer may determine in writing or orally the length of the leader that shall be used.

Subsection nine of section five (added):

Upon any inhabitant of the United States fishing with trap-nets in Canadian waters in the exercise of his liberties under the Treaty of 1818 applying for a berth site under the licensing provisions, such a license shall be issued in the usual course for any unoccupied berth site selected by the applicant upon payment of the regular fee in consideration of the exclusive use of such site, subject to the usual rules and regulations.

Clause (*f*) of subsection one of section eight (added):

Upon any inhabitant of the United States fishing with trap-nets in Canadian waters in the exercise of his liberties under the Treaty of 1818, applying for a berth site under the licensing provisions, such a license shall be issued in the usual course for any unoccupied berth site selected by the applicant upon payment of the regular fee in consideration of the exclusive use of such site, subject to the usual rules and regulations.

JAMES BRYCE.
PHILANDER C. KNOX.
L. P. BRODEUR.
A. B. AYLESWORTH.
CHANDLER P. ANDERSON.

January 14, 1911.

PAPERS

IN REGARD TO DIFFERENCES BETWEEN

CANADA AND THE UNITED STATES

REFERRED TO THE

HAGUE TRIBUNAL

ALSO

AMENDED FISHERY REGULATIONS

PRINTED BY ORDER OF PARLIAMENT

OTTAWA
PRINTED BY C. H. PARMELEE, PRINTER TO THE KING'S MOST EXCELLENT MAJESTY
1911

As the following papers were not arranged in proper sequence when presented to the House, they may be found more readily by consulting the following

LIST OF CONTENTS.

	Page.
Changes in Fishery Regulations	1
Conferences at Washington	2
Arbitration at the Hague	7
Dissent on Question V. by Dr. Luis M. Drago	39
Protocol XXX	50

RETURN

(97a.)

At the Government House at Ottawa.

Saturday the 21st day of January, 1911.

PRESENT:

His Excellency the Governor General in Council:

His Excellency the Governor General in Council, in virtue of the authority conferred upon him by Section 54 of the Fisheries Act, Chapter 45 of the Revised Statutes of Canada, 1906, is pleased to Order and it is hereby Ordered as follows:—

(*a*) Subsection one of section five of the Fishery Regulations for the Province of Quebec, established by the Order in Council of the 12th September, 1907, is hereby rescinded and the following substituted therefor:—

1. Fishing by means of cod trap-nets without a license from the Minister of Marine and Fisheries is prohibited in the waters of the Gulf of St. Lawrence, except at the distance of one thousand yards from shore, or one thousand yards from any similar net set from the shore.

(*b*) Subsection four of section five of the said Regulations is hereby rescinded, and the following substituted in lieu thereof:

4. If the leader of a cod trap-net extends from the shore, any fishery officer may determine in writing or orally the length of the leader that shall be used.

(*c*) The following subsection is hereby added to section five of the said Regulations:

9. Upon any inhabitant of the United States fishing with trap-nets in Canadian waters, in the exercise of his liberties under the Treaty of 1818, applying for a berth site under the licensing provisions, such a license shall be issued in the usual course, for any unoccupied berth site selected by the applicant, upon payment of the regular fee in consideration of the exclusive use of such site, subject to the usual rules and regulations.

(*d*) Subsection (*a*) of section eight of the said Regulations, is hereby rescinded and the following substituted in lieu thereof:

1. (*a*) Fishing by means of herring trap-nets without a license from the Minister of Marine and Fisheries, is prohibited in the waters of the Gulf of St. Lawrence, except at the distance of one thousand yards from shore or one thousand yards from any similar net set from the shore.

(*c*) Subsection (*d*) of section eight of the said Regulations is hereby rescinded and the following substituted in lieu thereof:

(*d*) If the leader of a herring trap-net extends from the shore, any fishery officer may determine in writing or orally, the length of the leader that shall be used.

(*f*) The following subsection is hereby added to section eight of the said Regulations:

(*f*) Upon any inhabitant of the United States fishing with trap-nets in Canadian waters in the exercise of his liberties under the Treaty of 1818, apply-

ing for a berth site under the licensing provisions, such a license shall be issued in the usual course for any unoccupied berth site selected by the applicant, upon payment of the regular fee in consideration of the exclusive use of such site, subject to the usual rules and regulations.

RODOLPHE BOUDREAU,
Clerk of the Privy Council.

(Copy). *From Mr. Bryce to Lord Grey.*

BRITISH EMBASSY, WASHINGTON, January 16, 1911.

MY LORD,—I have the honour to report that after daily conference throughout the week a provisional settlement has been reached in regard to the objections of the United States Government as to existing fishery laws and regulations of Canada and Newfoundland, which objections were under the Hague award suggested to be submitted to a commission of experts, subject to eventual reference to the Tribunal itself.

The first object of this conference was to prevent the possibility of reconvening the Hague Tribunal for questions such as this; the second object was, if possible, to meet the objections of the United States in such a manner as to prevent any further difficulty in regard to them.

The first object has been satisfactorily attained in the first minute herewith enclosed, which applies to both Canada and Newfoundland, and which, in its effect, transfers to the permanent Commissions recommended by the Award for settlement of questions concerning future regulations, under Article IV of the Special Agreement, that jurisdiction over questions as to existing regulations instituted by the Award under Article III, no doubt in order to avoid exceeding the terms of reference, while giving time for friendly settlement by negotiation, a settlement which has now been attained.

This joint settlement for Canada and Newfoundland having been effected and the Newfoundland Government not being in a position at present to meet all the objections of the United States Government to Newfoundland regulations, Sir E. Morris left Washington on the evening of the 12th, it being understood that the Canadian Ministers would make no concessions as to Sunday fishing, purse seines, or other questions which might affect Newfoundland interests.

In the discussions, which went fully into all the regulations to which the United States Government had objected in Protocol XXX, Sir E. Morris intimated his willingness to alter some of the Newfoundland regulations, and took with him a note of the points on which he thought that concessions might be made by his country.

The Conference was then resumed on the 13th with a view of arriving at a friendly agreement in regard to the United States' objections to Canadian regulations. Some difficulty was experienced in finding a form for this second minute satisfactory to all parties. The United States Government wished to reserve to themselves the fullest right of reviving the objections in question should occasion call for it, and also were disposed to object in principle to the licensing system. The Canadian representatives wished to render it as difficult as possible to revive the objections and were (and, in my opinion, quite rightly) determined to make no concession as to licensing in principle. They were, however, prepared as result of the expert examination of certain regulations to make some minor amendments, which were chiefly of a technical nature and did not prejudicially affect any Canadian interest. After much debate with the United States representatives and discussion among ourselves the annexed minute was agreed on and signed.

It will be observed that by the terms finally agreed to the right of the United States Government to revive their objections is restricted to cases in which changes likely to prejudice United States fishermen might occur in the general conditions of

the fishery. Canada obtains on the other hand in return for such minor concessions as her representatives were prepared to make voluntarily, with no injury to her own fishing interests, a statement by the United States which amounts to an implied recognition of the reasonability of the licensing system; and the general result is a practical acceptance of the existing situation, subject to the minor amendments above referred to.

I may add that the two Canadian Ministers seemed to me to show a happy union of firmness in all essentials with a reasonable spirit in non-essentials, and their attitude was appreciated by the United States representatives, whose conduct of their side of the case evinced a no less friendly disposition, and who recognized unequivocally the fairness with which the Canadian laws and regulations had been administered. Both sides parted with cordial sentiments, and both the President and the Secretary of State expressed to me their great satisfaction that matters had been so adjusted as to leave pleasant recollections behind of the frame of mind in which questions had been dealt with, which at one time seemed likely to give rise to discussion and controversy. It was deemed especially fortunate that any necessity for a further reference to arbitration, with all the expense and delay that this might have involved, had been avoided by direct negotiation between the parties.

I have, &c.,
JAMES BRYCE.

MINUTES OF CONFERENCES held at Washington the 9th, 10th, 11th and 12th of January, 1911, as to the application of the Award delivered on the 7th September, 1910, in the North Atlantic Coast Fisheries Arbitration to existing Regulations of Canada and Newfoundland.

The undersigned having considered in detail and with expert assistance the steps to be taken in consequence of the Award in connection with the objections of the United States Government to existing regulations of the Fisheries in Canadian and Newfoundland Treaty Waters as recorded in Protocol XXX of the proceedings before the Tribunal of Arbitration, and having conferred as to the best means of dealing with these objections, have arrived at the following conclusion:

It is unnecessary to refer any existing regulations to the Commission of Experts mentioned in the Award in application of Article III of the Special Agreement of January 27, 1909, or to reconvene the Tribunal of Arbitration; but any difference in regard to the regulations specified in Protocol XXX which shall not have been disposed of by diplomatic methods, shall be referred to the permanent Mixed Fishery Commission to be constituted as recommended by the Hague Award under Article IV of the Special Agreement in the same manner as a difference in regard to future regulations would be so referred under the recommendation in the Award, unless by mutual consent some other rules and method of procedure are adopted.

JAMES BRYCE.
PHILANDER C. KNOX.
E. P. MORRIS.
CHANDLER P. ANDERSON.
A. B. AYLESWORTH.
L. P. BRODEUR.

January 12, 1911.

MINUTES OF CONFERENCES held at Washington the 13th and 14th January, 1911, as to the objections of the United States to existing laws and fishery regulations of Canada as recorded in Protocol XXX of the proceedings of the North Atlantic Coast Fisheries Arbitration.

The undersigned, having considered the best means of dealing with the objections above referred to, subject to the minutes of previous conferences signed January 12th, have arrived at the following conclusion:

Having regard to the present method of administering the Canadian laws and fishery regulations and to certain amendments which Canada is willing to make therein and to the present state of the fisheries and conditions under which they are carried on and places of fishing, the United States does not press at present any of the objections referred to in Protocol XXX which relate to Canada laws and fishery regulations, it being understood that the right of the United States to renew such objections is not thereby in any way prejudiced should conditions change.

The amendments and regulations above referred to are:

Subsection one of section five of the Special Fishery Regulations, Province of Quebec, approved on the 12th day of September, one thousand nine hundred and seven, is repealed and the following substituted therefor:

1. Fishing by means of cod trap-nets without a license from the Minister of Marine and Fisheries is prohibited in the waters of the Gulf of St. Lawrence, except at the distance of one thousand yards from shore or one thousand yards from any similar net set from the shore.

Subsection four of section five is repealed and the following substituted therefor:

4. If the leader of a cod trap-net extends from the shore any fishery officer may determine in writing or orally the length of the leader that shall be used.

Subsection (*a*) of section eight of the said special fishery regulations is hereby repealed and the following substituted therefor:

1. (*a*) Fishing by means of herring trap-nets without a license from the Minister of Marine and Fisheries is prohibited in the waters of the Gulf of St. Lawrence except at the distance of one thousand yards from any similar net set from the shore.

Subsection (*d*) of section eight is hereby repealed and the following substituted therefor:

(*d*) If the leader of a herring trap-net extends from the shore, any fishery officer may determine in writing or orally the length of the leader that shall be used.

Subsection nine of section five (added):

Upon any inhabitant of the United States fishing with trap-nets in Canadian waters in the exercise of his liberties under the Treaty of 1818 applying for a berth site under the licensing provisions, such a license shall be issued in the usual course for any unoccupied berth site selected by the applicant upon payment of the regular fee in consideration of the exclusive use of such site, subject to the usual rules and regulations.

Clause (*f*) of subsection one of section eight (added):

Upon any inhabitant of the United States fishing with trap-nets in Canadian waters in the exercise of his liberties under the Treaty of 1818 applying for a

berth site under the licensing provision such a license shall be issued in the usual course for any unoccupied berth site selected by the applicant upon payment of the regular fee in consideration of the exclusive use of such site, subject to the usual rules and regulations.

JAMES BRYCE.
PHILANDER C. KNOX.
L. P. BRODEUR.
A. B. AYLESWORTH.
CHANDLER P. ANDERSON.

January 14, 1911.

RETURN

(97b).

PERMANENT COURT OF ARBITRATION AT THE HAGUE

THE NORTH ATLANTIC COAST FISHERIES

PREAMBLE.

Whereas a Special Agreement between the United States of America and Great Britain, signed at Washington the 27th January, 1909, and confirmed by interchange of Notes dated the 4th March, 1909, was concluded in conformity with the provisions of the General Arbitration Treaty between the United States of America and Great Britain, signed the 4th April, 1908, and ratified the 4th June, 1908;

And whereas the said Special Agreement for the submission of questions relating to fisheries on the North Atlantic Coast under the general treaty of arbitration concluded between the United States and Great Britain on the 4th day of April, 1908, is as follows:

ARTICLE I.

Whereas by Article I of the Convention signed at London on the 20th day of October, 1818, between Great Britain and the United States, it was agreed as follows:—

Whereas differences have arisen respecting the liberty claimed by the United States for the inhabitants thereof, to take, dry and cure Fish on Certain Coasts, Bays, Harbours and Creeks of His Britannic Majesty's Dominions in America, it is agreed between the High Contracting Parties, that the inhabitants of the said United States shall have forever, in common with the Subjects of His Britannic Majesty, the liberty to take Fish of every kind on that part of the Southern Coast of Newfoundland which extends from Cape Ray to the Rameau Islands, on the Western and Northern Coast of Newfoundland, from the said Cape Ray to the Quirpon Islands, on the shores of the Magdalen Islands, and also on the Coasts, Bays, Harbours, and Creeks from Mount Joly on the Southern Coast of Labrador, to and through the Straits of Belleisle and thence Northwardly indefinitely along the Coast, without prejudice, however, to any of the exclusive Rights of the Hudson Bay Company; and that the American Fishermen shall also have liberty forever, to dry and

cure Fish in any of the unsettled Bays, Harbours and Creeks of the Southern part of the Coast of Newfoundland hereabove described, and of the Coast of Labrador; but so soon as the same, or any Portion thereof, shall be settled, it shall not be lawful for the said Fishermen to dry or cure Fish at such Portion so settled, without previous agreement for such purpose with the inhabitants, Proprietors, or Possessors of the ground.—And the United States hereby renounce forever, any Liberty heretofore enjoyed or claimed by the inhabitants thereof, to take, dry, or cure Fish on, or within three marine Miles of any of the Coasts, Bays, Creeks, or Harbours of His Britannic Majesty's Dominions in America not included within the abovementioned limits; provided, however, that the American Fishermen shall be admitted to enter such Bays or Harbours for the purpose of Shelter and of repairing Damages therein, of purchasing Wood, and of obtaining Water, and for no other purpose whatever. But they shall be under such Restrictions as may be necessary to prevent their taking, drying or curing Fish therein, or in any other manner whatever abusing the Privileges hereby reserved to them.

And, whereas, differences have arisen as to the scope and meaning of the said Article, and of the liberties therein referred to, and otherwise in respect of the rights and liberties which the inhabitants of the United States have or claim to have in the waters or on the shores therein referred to:

It is agreed that the following questions shall be submitted for decision to a tribunal of arbitration constituted as hereinafter provided:—

Question 1.—To what extent are the following contentions or either of them justified?

It is contended on the part of Great Britain that the exercise of the liberty to take fish referred to in the said Article, which the inhabitants of the United States have forever in common with the subjects of His Britannic Majesty, is subject, without the consent of the United States, to reasonable regulation by Great Britain, Canada, or Newfoundland in the form of municipal laws, ordinances, or rules, as, for example, to regulations in respect of (1) the hours, days, or seasons when fish may be taken on the treaty coasts; (2) the method, means, and implements to be used in the taking of fish or in the carrying on of fishing operations on such coasts; (3) any other matters of a similar character relating to fishing; such regulations being reasonable, as being, for instance—

(*a.*) Appropriate or necessary for the protection and preservation of such fisheries and the exercise of the rights of British subjects therein and of the liberty which by the said Article I the inhabitants of the United States have therein in common with British subjects;

(*b.*) Desirable on grounds of public order and morals;

(*c.*) Equitable and fair as between local fishermen and the inhabitants of the United States exercising the said treaty liberty and not so framed as to give unfairly an advantage to the former over the latter class.

It is contended on the part of the United States that the exercise of such liberty is not subject to limitations or restraints by Great Britain, Canada, or Newfoundland in the form of municipal laws, ordinances, or regulations in respect of (1) the

hours, days, or seasons when the inhabitants of the United States may take fish on the treaty coasts, or (2) the method, means, and implements used by them in taking fish or in carrying on fishing operations on such coasts, or (3) any other limitations or restraints of similar character—

(*a.*) Unless they are appropriate and necessary for the protection and preservation of the common rights in such fisheries and the exercise thereof; and

(*b.*) Unless they are reasonable in themselves and fair as between local fishermen and fishermen coming from the United States, and not so framed as to give an advantage to the former over the latter class; and

(*c.*) Unless their appropriateness, necessity, reasonableness, and fairness be determined by the United States and Great Britain by common accord and the United States concurs in their enforcement.

Question 2. Have the inhabitants of the United States, while exercising the liberties referred to in said Article, a right to employ as members of the fishing crews of their vessels persons not inhabitants of the United States?

Question 3. Can the exercise by the inhabitants of the United States of the liberties referred to in the said Article be subjected, without the consent of the United States, to the requirements of entry or report at custom houses or the payment of light or harbour or other dues, or to any other similar requirement or condition or exaction?

Question 4. Under the provision of the said Article that the American fishermen shall be admitted to enter certain bays or harbours for shelter, repairs, wood, or water, and for no other purpose whatever, but that they shall be under such restrictions as may be necessary to prevent their taking, drying, or curing fish therein or in any other manner whatever abusing the privileges thereby reserved to them, is it permissible to impose restrictions making the exercise of such privileges conditional upon the payment of light or harbour or other dues, or entering or reporting at custom houses or any similar conditions?

Question 5. From where must be measured the 'three marine miles of any of the coasts, bays, creeks, or harbours' referred to in the said Article.

Question 6. Have the inhabitants of the United States the liberty under the said Article or otherwise to take fish in the bays, harbours, and creeks on that part of the southern coast of Newfoundland which extends from Cape Ray to Rameau Islands, or on the western and northern coasts of Newfoundland from Cape Ray to Quirpon Islands, or on the Magdalen Islands?

Question 7. Are the inhabitants of the United States whose vessels resort to the treaty coasts for the purpose of exercising the liberties referred to in Article I of the Treaty of 1818 entitled to have for those vessels, when duly authorized by the United States in that behalf, the commercial privileges on the treaty coasts accorded by agreement or otherwise to United States trading vessels generally?

Article II.

Either Party may call the attention of the Tribunal to any legislative or executive act of the other Party, specified within three months of the exchange of notes

enforcing this agreement, and which is claimed to be inconsistent with the true interpretation of the Treaty of 1818; and may call upon the Tribunal to express in its award its opinion upon such acts, and to point out in what respects, if any, they are inconsistent with the principles laid down in the award in reply to the preceding questions; and each Party agrees to conform to such opinion.

ARTICLE III.

If any question arises in the arbitration regarding the reasonableness of any regulation or otherwise which requires an examination of the practical effect of any provisions in relation to the conditions surrounding the exercise of the liberty of fishery enjoyed by the inhabitants of the United States, or which requires expert information about the fisheries themselves, the Tribunal may, in that case, refer such question to a Commission of three expert specialists in such matters; one to be designated by each of the Parties hereto, and the third, who shall not be a national of either Party, to be designated by the Tribunal. This Commission shall examine into and report their conclusions on any question or questions so referred to it by the Tribunal and such report shall be considered by the Tribunal and shall, if incorporated by them in the award, be accepted as a part thereof.

Pending the report of the Commission upon the question or questions so referred and without awaiting such report, the Tribunal may make a separate award upon all or any other questions before it, and such separate award, if made, shall become immediately effective, provided that the report aforesaid shall not be incorporated in the award until it has been considered by the Tribunal. The expenses of such Commission shall be borne in equal moieties by the Parties hereto.

ARTICLE IV.

The Tribunal shall recommend for the consideration of the High Contracting Parties rules and a method of procedure under which all questions which may arise in the future regarding the exercise of the liberties above referred to may be determined in accordance with the principles laid down in the award. If the High Contracting Parties shall not adopt the rules and method of procedure so recommended, or if they shall not, subsequently to the delivery of the award, agree upon such rules and methods, then any differences which may arise in the future between the High Contracting Parties relating to the interpretation of the Treaty of 1818 or to the effect and application of the award of the Tribunal shall be referred informally to the Permanent Court at The Hague for decision by the summary procedure provided in Chapter IV of The Hague Convention of the 18th October, 1907.

ARTICLE V.

The Tribunal of Arbitration provided for herein shall be chosen from the general list of members of the Permanent Court at The Hague, in accordance with the provisions of Article XLV of the Convention for the Settlement of International Disputes, concluded at the Second Peace Conference at The Hague on the 18th of October, 1907. The provisions of said Convention, so far as applicable and not inconsistent herewith, and excepting Articles LIII and LIV, shall govern the proceedings under the submission herein provided for.

The time allowed for the direct agreement of His Britannic Majesty and the President of the United States on the composition of such Tribunal shall be three months.

ARTICLE VI.

The pleadings shall be communicated in the order and within the time following:—

As soon as may be and within a period not exceeding seven months from the date of the exchange of notes making this agreement binding the printed case of each of the Parties hereto, accompanied by printed copies of the documents, the official correspondence, and all other evidence on which each Party relies, shall be delivered in duplicate (with such additional copies as may be agreed upon) to the agent of the other party. It shall be sufficient for this purpose if such case is delivered at the British Embassy at Washington or at the American Embassy at London, as the case may be, for transmission to the agent for its Government.

Within fifteen days thereafter such printed case and accompanying evidence of each of the Parties shall be delivered in duplicate to each member of the Tribunal, and such delivery may be made by depositing within the stated period the necessary number of copies with the International Bureau at The Hague for transmission to the Arbitrators.

After the delivery on both sides of such printed case, either Party may, in like manner, and within four months after the expiration of the period above fixed for the delivery to the agents of the case, deliver to the agent of the other Party (with such additional copies as may be agreed upon), a printed counter-case accompanied by printed copies of additional documents, correspondence, and other evidence in reply to the case, documents, correspondence, and other evidence so presented by the other Party, and within fifteen days thereafter such Party shall, in like manner as above provided, deliver in duplicate such counter-case and accompanying evidence to each of the Arbitrators.

The foregoing provisions shall not prevent the Tribunal from permitting either Party to rely at the hearing upon documentary or other evidence which is shown to have become open to its investigation or examination or available for use too late to be submitted within the period hereinabove fixed for the delivery of copies of evidence, but in case any such evidence is to be presented, printed copies of it, as soon as possible after it is secured, must be delivered, in like manner as provided for the delivery of copies of other evidence, to each of the Arbitrators and to the agent of the other Party. The admission of any such additional evidence, however, shall be subject to such conditions as the Tribunal may impose, and the other Party shall have a reasonable opportunity to offer additional evidence in rebuttal.

The Tribunal shall take into consideration all evidence which is offered by either Party.

ARTICLE VII.

If in the case or counter-case (exclusive of the accompanying evidence) either Party shall have specified or referred to any documents, correspondence, or other evidence in its own exclusive possession without annexing a copy, such Party shall be bound, if the other Party shall demand it within thirty days after the delivery of the case or counter-case respectively, to furnish to the Party applying for it a copy thereof;

and either Party may, within the like time, demand that the other shall furnish certified copies or produce for inspection the originals of any documentary evidence adduced by the Party upon whom the demand is made. It shall be the duty of the Party upon whom any such demand is made to comply with it as soon as may be, and within a period not exceeding fifteen days after the demand has been received. The production for inspection or the furnishing to the other Party of official governmental publications, publishing, as authentic, copies of the documentary evidence referred to, shall be a sufficient compliance with such demand, if such governmental publications shall have been published prior to the 1st day of January, 1908. If the demand is not complied with, the reasons for the failure to comply must be stated to the Tribunal.

ARTICLE VIII.

The Tribunal shall meet within six months after the expiration of the period above fixed for the delivery to the agents of the case, and upon the assembling of the Tribunal at its first session each Party, through its agent or counsel, shall deliver in duplicate to each of the Arbitrators and to the agent and counsel of the other Party (with such additional copies as may be agreed upon) a printed argument showing the points and referring to the evidence upon which it relies.

The time fixed by this Agreement for the delivery of the case, counter-case, or argument, and for the meeting of the Tribunal, may be extended by mutual consent of the Parties.

ARTICLE IX.

The decision of the Tribunal shall, if possible, be made within two months from the close of the arguments on both sides, unless on the request of the Tribunal the Parties shall agree to extend the period.

It shall be made in writing, and dated and signed by each member of the Tribunal, and shall be accompanied by a statement of reasons.

A member who may dissent from the decision may record his dissent when signing.

The language to be used throughout the proceedings shall be English.

ARTICLE X.

Each Party reserves to itself the right to demand a revision of the award. Such demand shall contain a statement of the grounds on which it is made and shall be made within five days of the promulgation of the award, and shall be heard by the Tribunal within ten days thereafter. The Party making the demand shall serve a copy of the same on the opposite Party, and both Parties shall be heard in argument by the Tribunal on said demand. The demand can only be made on the discovery of some new fact or circumstance calculated to exercise a decisive influence upon the award and which was unknown to the Tribunal and to the Party demanding the revision at the time the discussion was closed, or upon the ground that the said award does not fully and sufficiently, within the meaning of this Agreement, determine any question or questions submitted. If the Tribunal shall allow the demand for a revision, it shall afford such opportunity for further hearings and arguments as it shall deem necessary.

ARTICLE XI.

The present Agreement shall be deemed to be binding only when confirmed by the two Governments by an exchange of notes.

In witness whereof this Agreement has been signed and sealed by His Britannic Majesty's Ambassador at Washington, the Right Honourable JAMES BRYCE, O.M., on behalf of Great Britain, and by the Secretary of State of the United States, ELIHU ROOT, on behalf of the United States.

Done at Washington on the 27th day of January, one thousand nine hundred and nine.

JAMES BRYCE. [Seal.]
ELIHU ROOT. [Seal.]

And whereas, the parties to the said Agreement have by common accord, in accordance with Article V, constituted as a Tribunal of Arbitration the following Members of the Permanent Court at The Hague: Mr. H. LAMMASCH, Doctor of Law, Professor of the University of Vienna, Aulic Councillor, Member of the Upper House of the Austrian Parliament; His Excellency Jonkheer A. F. DE SAVORNIN LOHMAN, Doctor of Law, Minister of State, Former Minister of the Interior, Member of the Second Chamber of the Netherlands; the Honourable GEORGE GRAY, Doctor of Laws, Judge of the United States Circuit Court of Appeals, former United States Senator; the Right Honourable Sir CHARLES FITZPATRICK, Member of the Privy Council, Doctor of Laws, Chief Justice of Canada; the Honourable LUIS MARIA DRAGO, Doctor of Law, former Minister of Foreign Affairs of the Argentine Republic, Member of the Law Academy of Buenos Aires;

And whereas, the Agents of the Parties to the said Agreement have duly and in accordance with the terms of the Agreement communicated to this Tribunal their cases, counter-cases, printed arguments and other documents;

And whereas, counsel for the Parties have fully presented to this Tribunal their oral arguments in the sittings held between the first assembling of the Tribunal on 1st June, 1910, to the close of the hearings on 12th August, 1910;

Now, therefore, this Tribunal having carefully considered the said Agreement, cases, counter-cases, printed and oral arguments, and the documents presented by either side, after due deliberation makes the following decisions and awards:

QUESTION I.

To what extent are the following contentions or either of them justified?

It is contended on the part of Great Britain that the exercise of the liberty to take fish referred to in the said Article, which the inhabitants of the United States have forever in common with the subjects of His Britannic Majesty, is subject, without the consent of the United States, to reasonable regulation by Great Britain, Canada, or Newfoundland in the form of municipal laws, ordinances, or rules, as, for example, to regulations in respect of (1) the hours, days, or seasons when fish may be taken on the treaty coasts; (2) the method, means, and implements to be used in the taking of fish or in the carrying on of fishing operations on such coasts; (3) any other matters of a similar character relating to fishing; such regulations being reasonable, as being, for instance—

(*a*) Appropriate or necessary for the protection and preservation of such fisheries and the exercise of the rights of British subjects therein and of the liberty which by the said Article I the inhabitants of the United States have therein in common with British subjects;

(*b*) Desirable on grounds of public order and morals;

(*c*) Equitable and fair as between local fishermen and the inhabitants of the United States exercising the said treaty liberty, and not so framed as to give unfairly an advantage to the former over the latter class.

It is contended on the part of the United States that the exercise of such liberty is not subject to limitations or restraints by Great Britain, Canada, or Newfoundland in the form of municipal laws, ordinances, or regulations in respect of (1) the hours, days, or seasons when the inhabitants of the United States may take fish on the treaty coasts, or (2) the method, means, and implements used by them in taking fish or in carrying on fishing operations on such coasts, or (3) any other limitations or restraints of similar character —

(*a*) Unless they are appropriate and necessary for the protection and preservation of the common rights in such fisheries and the exercise thereof; and

(*b*) Unless they are reasonable in themselves and fair as between local fishermen and fishermen coming from the United States, and not so framed as to give an advantage to the former over the latter class; and

(*c*) Unless their appropriateness, necessity, reasonableness, and fairness be determined by the United States and Great Britain by common accord and the United States concurs in their enforcement.

Question I, thus submitted to the Tribunal, resolves itself into two main contions:

1st. Whether the right of regulating reasonably the liberties conferred by the Treaty of 1818 resides in Great Britain;

2nd. And, if such right does so exist, whether such reasonable exercise of the right is permitted to Great Britain without the accord and concurrence of the United States.

The Treaty of 1818 contains no explicit disposition in regard to the right of regulation, reasonable or otherwise; it neither reserves that right in express terms, nor refers to it in any way. It is therefore incumbent on this Tribunal to answer the two questions above indicated by interpreting the general terms of Article I of the Treaty, and more especially the words 'the inhabitants of the United States shall have, for ever, in common with the subjects of His Britannic Majesty, the liberty to take fish of every kind.' This interpretation must be conformable to the general import of the instrument, the general intention of the parties to it, the subject matter of the contract, the expressions actually used and the evidence submitted.

Now in regard to the preliminary question as to whether the right of reasonable regulation resides in Great Britain:

Considering that the right to regulate the liberties conferred by the Treaty of 1818 is an attribute of sovereignty, and as such must be held to reside in the territorial sovereign, unless the contrary be provided; and considering that one of the essential elements of sovereignty is that it is to be exercised within territorial limits, and that,

failing proof to the contrary, the territory is coterminous with the sovereignty, it follows that the burden of the assertion involved in the contention of the United States (viz. that the right to regulate does not reside independently in Great Britain, the territorial sovereign) must fall on the United States. And for the purpose of sustaining this burden, the United States have put forward the following series of propositions, each one of which must be singly considered.

It is contended by the United States:

(1) That the French right of fishery under the Treaty of 1713 designated also as a liberty, was never subjected to regulation by Great Britain, and therefore the inference is warranted that the American liberties of fishery are similarly exempted.

The Tribunal is unable to agree with this contention:

(a) Because although the French right designated in 1713 merely 'an allowance,' (a term of even less force than that used in regard to the American fishery) was nevertheless converted, in practice, into an exclusive right, this concession on the part of Great Britain was presumably made because France, before 1713, claimed to be the sovereign of Newfoundland, and, in ceding the Island, had, as the American argument says, 'reserved for the benefit of its subjects the right to fish and to use 'the strand';

(*b*) Because the distinction between the French and American right is indicated by the different wording of the Statutes for the observance of Treaty obligations towards France and the United States, and by the British Declaration of 1783;

(*c*) And, also, because this distinction is maintained in the Treaty with France of 1904, concluded at a date when the American claim was approaching its present stage, and by which certain common rights of regulation are recognized to France.

For the further purpose of such proof it is contended by the United States:

(2) That the liberties of fishery, being accorded to the inhabitants of the United States "for ever," acquire, by being in perpetuity and unilateral, a character exempting them from local legislation.

The Tribunal is unable to agree with this contention:

(*a*) Because there is no necessary connection between the duration of a grant and its essential status in its relation to local regulation; a right granted in perpetuity may yet be subject to regulation, or, granted temporarily, may yet be exempted therefrom; or being reciprocal may yet be unregulated, or being unilateral may yet be regulated: as is evidenced by the claim of the United States that the liberties of fishery accorded by the Reciprocity Treaty of 1854 and the Treaty of 1871 were exempt from regulation, though they were neither permanent nor unilateral;

(*b*) Because no peculiar character need be claimed for these liberties in order to secure their enjoyment in perpetuity, as is evidenced by the American negotiators in 1818 asking for the insertion of the words "forever." International law in its modern development recognizes that a great number of Treaty obligations are not annulled by war, but at most suspended by it;

(*c*) Because the liberty to dry and cure is, pursuant to the terms of the Treaty,

provisional and not permanent, and is nevertheless, in respect of the liability to regulation, identical in its nature with, and never distinguished from, the liberty to fish.

For the further purpose of such proof, the United States allege:

(3) That the liberties of fishery granted to the United States constitute an International servitude in their favour over the territory of Great Britain, thereby involving a derogation from the sovereignty of Great Britain, the servient State, and that therefore Great Britain is deprived, by reason of the grant, of its independent right to regulate the fishery.

The Tribunal is unable to agree with this contention:

(*a*) Because there is no evidence that the doctrine of International servitudes was one with which either American or British statesmen were conversant in 1818, no English publicists employing the term before 1818, and the mention of it in Mr. GALLATIN'S report being insufficient;

(*b*) Because a servitude in the French Law, referred to by Mr. GALLATIN, can, since the Code, be only real and cannot be personal (Code Civil, art. 686);

(*c*) Because a servitude in International law predicates an express grant of a sovereign right and involves an analogy to the relation of a *praedium dominans* and a *praedium serviens;* whereas by the Treaty of 1818 one State grants a liberty to fish, which is not a sovereign right, but a purely economic right, to the inhabitants of another State;

(*d*) Because the doctrine of international servitude in the sense which is now sought to be attributed to it originated in the peculiar and now obsolete conditions prevailing in the Holy Roman Empire of which the *domini terrae* were not fully sovereigns; they holding territory under the Roman Empire, subject at least theoretically, and in some respects also practically, to the Courts of that Empire; their right being, moreover, rather of a civil than of a public nature, partaking more of the character of *dominium* than of *imperium,* and therefore certainly not a complete sovereignty. And because in contradistinction to this quasi-sovereignty with its incoherent attributes acquired at various times, by various means, and not impaired in its character by being incomplete in any one respect or by being limited in favour of another territory and its possessor, the modern State, and particularly Great Britain, has never admitted partition of sovereignty, owing to the constitution of a modern State requiring essential sovereignty and independence;

(*e*) Because this doctrine being but little suited to the principle of sovereignty which prevails in States under a system of constitutional government such as Great Britain and the United States, and to the present International relations of Sovereign States, has found little, if any, support from modern publicists. It could therefore in the general interest of the Community of Nations, and of the Parties to this Treaty, be affirmed by this Tribunal only on the express evidence of an International contract;

(*f*) Because even if these liberties of fishery constituted an International servitude, the servitude would derogate from the sovereignty of the servient State only in so far as the exercise of the rights of sovereignty by the servient State would be contrary to the exercise of the servitude right by the dominant State. Whereas it is evident that, though every regulation of the fishery is to some extent a limitation, as

it puts limits to the exercise of the fishery at will, yet such regulations as are reasonable and made for the purpose of securing and preserving the fishery and its exercise for the common benefit, are clearly to be distinguished from those restrictions and "molestations," the annulment of which was the purpose of the American demands formulated by Mr. Adams in 1782, and such regulations consequently cannot be held to be inconsistent with a servitude;

(*g*) Because the fishery to which the inhabitants of the United States were admitted in 1783, and again in 1818, was a regulated fishery, as is evidenced by the following regulations:

Act 15 Charles II, Cap. 16, s. 7 (1663) forbidding "to lay any seine or other net in or near any harbour in Newfoundland, whereby to take the spawn or young fry of the Poor-John, or for any other use or uses, except for the taking of bait only," which had not been superseded either by the order in council of March 10, 1670, or by the Statute 10 and XI Wm. III, Cap. 25, 1699. The order in council provides expressly for the obligation "to submit unto and to observe all rules and orders as are now, or hereafter shall be established," an obligation which cannot be read as referring only to the rules established by this very act, and having no reference to anteceding rules "as are now established." In a similar way, the Statute of 1699 preserves in force prior legislation, conferring the freedom of fishery only "as fully and freely as at any time heretofore." The order in council, 1670, provides that the Admirals, who always were fishermen, arriving from an English or Welsh port, "see that His Majesty's rules and orders concerning the regulation of the fisheries are duly put in execution" (sec. 13). Likewise the Act 10 and XI, Wm. III, Cap. 25 (1699) provides that the Admirals do settle differences between the fishermen arising in respect of the places to be assigned to the different vessels. As to Nova Scotia, the proclamation of 1665 ordains that no one shall fish without license; that the licensed fishermen are obliged "to observe all laws and orders which now are made and published, or shall hereafter be made and published in this jurisdiction," and that they shall not fish on the Lord's day and shall not take fish at the time they come to spawn. The judgment of the Chief Justice of Newfoundland, October 26, 1820, is not held by the Tribunal sufficient to set aside the proclamations referred to. After 1783, the statute 26 Geo. III, Cap. 26, 1786, forbids "the use, on the shores of Newfoundland, of seines or nets for catching cod by hauling on shore or taking into boat, with meshes less than 4 inches;" a prohibition which cannot be considered as limited to the bank fishery. The act for regulating the fisheries of New Brunswick, 1793, which forbids "the placing of nets or seines across any cove or creek in the Province so as to obstruct the natural course of fish," and which makes specific provision for fishing in the Harbour of St. John, as to the manner and time of fishing, cannot be read as being limited to fishing from the shore. The act for regulating the fishing on the coast of Northumberland (1797) contains very elaborate dispositions concerning the fisheries in the Bay of Miramichi which were continued in 1823, 1829 and 1834. The Statutes of Lower Canada, 1788 and 1807, forbid the throwing overboard of offal. The fact that these acts extend the prohibition over a greater distance than the first marine league from the shore may make them nonoperative against foreigners without the territorial limits of Great Britain, but is certainly no reason to deny their obligatory character for foreigners within these limits;

(*h*) Because the fact that Great Britain rarely exercised the right of regulation in the period immediately succeeding 1818 is to be explained by various circumstances and is not evidence of the non-existence of the right;

(*i*) Because the words "in common with British subjects" tend to confirm the opinion that the inhabitants of the United States were admitted to a regulated fishery;

(*j*) Because the Statute of Great Britain, 1819, which gives legislative sanction to the Treaty of 1818, provides for the making of "regulations with relation to the taking, drying and curing of fish by inhabitants of the United States in 'common.'"

For the purpose of such proof, it is further contended by the United States, in this latter connection:

(4) That the words "in common with British subjects" used in the Treaty should not be held as importing a common subjection to regulation, but as intending to negative a possible pretention on the part of the inhabitants of the United States to liberties of fishery exclusive of the right of British subjects to fish.

The Tribunal is unable to agree with this contention:

(a) Because such an interpretation is inconsistent with the historical basis of the American fishing liberty. The ground on which Mr. ADAMS founded the American right in 1782 was that the people then constituting the United States had always, when still under British rule, a part in these fisheries and that they must continue to enjoy their past right in the future. He proposed "that the subjects of His Britannic Majesty and the people of the United States shall continue to enjoy unmolested the right to take fish.....where the inhabitants of both countries used, at any time heretofore, to fish." The theory of the partition of the fisheries, which by the American negotiators had been advanced with so much force, negatives the assumption that the United States could ever pretend to an exclusive right to fish on the British shores; and to insert a special disposition to that end would have been wholly superfluous;

(*b*) Because the words "in common" occur in the same connection in the Treaty of 1818 as in the Treaties of 1854 and 1871. It will certainly not be suggested that in these Treaties of 1854 and 1871 the American negotiators meant by inserting the words "in common" to imply that without these words American citizens would be precluded from the right to fish on their own coasts and that, on American shores, British subjects should have an exclusive privilege. It would have been the very opposite of the concept of territorial waters to suppose that, without a special treaty-provision, British subjects could be excluded from fishing in British waters. Therefore that cannot have been the scope and the sense of the words "in common";

(*c*) Because the words "in common" exclude the supposition that American inhabitants were at liberty to act at will for the purpose of taking fish, without any regard to the co-existing rights of other persons entitled to do the same thing; and because these words admit them only as members of a social community, subject to the ordinary duties binding upon the citizens of that community, as to the regulations made for the common benefit; thus avoiding the "*bellum omnium contra omnes*" which would otherwise arise in the exercise of this industry;

(*d*) Because these words are such as would naturally suggest themselves to the negotiators of 1818 if their intention had been to express a common subjection to regulations as well as a common right.

In the course of the Argument it has also been alleged by the United States:

(5) That the Treaty of 1818 should be held to have entailed a transfer or partition of sovereignty, in that it must in respect to the liberties of fishery be interpreted in its relation to the Treaty of 1783; and that this latter Treaty was an act of partition of sovereignty and of separation, and as such was not annulled by the war of 1812.

Although the Tribunal is not called upon to decide the issue whether the Treaty of 1783 was a treaty of partition or not, the questions involved therein having been set at rest by the subsequent Treaty of 1818, nevertheless the Tribunal could not forbear to consider the contention on account of the important bearing the controversy has upon the true interpretation of the Treaty of 1818. In that respect the Tribunal is of opinion:

(*a*) That the right to take fish was accorded as a condition of peace to a foreign people; wherefore the British negotiators refused to place the right of British subjects on the same footing with those of American inhabitants; and further, refused to insert the words also proposed by Mr. ADAMS—"continue to enjoy"—in the second branch of Art. III of the Treaty of 1783;

(*b*) That the Treaty of 1818 was in different terms, and very different in extent, from that of 1783, and was made for different considerations. It was, in other words, a new grant.

For the purpose of such proof it is further contended by the United States:

(6) That as contemporary Commercial Treaties contain express provisions for submitting foreigners to local legislation, and the Treaty of 1818 contains no such provision, it should be held, *a contrario*, that inhabitants of the United States exercising these liberties are exempt from regulation.

The Tribunal is unable to agree with this contention:

(*a*) Because the Commercial Treaties contemplated did not admit foreigners to all and equal rights, seeing that local legislation excluded them from many rights of importance, e.g. that of holding land; and the purport of the provisions in question consequently was to preserve these discriminations. But no such discriminations existing in the common enjoyment of the fishery by American and British fishermen, no such provision was required;

(*b*) Because no proof is furnished of similar exemptions of foreigners from local legislation in default of Treaty stipulations subjecting them thereto;

(*c*) Because no such express provision for subjection of the nationals of either Party to local law was made either in this Treaty, in respect to their reciprocal admission to certain territories as agreed in Art. III, or in Art. III of the Treaty of 1794; although such subjection was clearly contemplated by the Parties.

For the purpose of such proof it is further contended by the United States:

(7) That, as the liberty to dry and cure on the treaty coasts and to enter bays and harbours on the non-treaty coasts are both subjected to conditions, and

the latter to specific restrictions, it should therefore be held that the liberty to fish should be subjected to no restrictions, as none are provided for in the Treaty.

The Tribunal is unable to apply the principle of "*expressio unius exclusio alterius*" to this case:

(*a*) Because the conditions and restrictions as to the liberty to dry and cure on the shore and to enter the harbours are limitations of the rights themselves, and not restrictions of their exercise. Thus the right to dry and cure is limited in duration, and the right to enter bays and harbours is limited to particular purposes;

(*b*) Because these restrictions of the right to enter bays and harbours applying solely to American fishermen must have been expressed in the Treaty, whereas regulations of the fishery, applying equally to American and British, are made by right of territorial sovereignty.

For the purpose of such proof it has been contended by the United States:

(8) That LORD BATHURST in 1815 mentioned the American right under the Treaty of 1783 as a right to be exercised "at the discretion of the United States"; and that this should be held as to be derogatory to the claim of exclusive regulation by Great Britain.

But the Tribunal is unable to agree with this contention:

(*a*) Because these words implied only the necessity of an express stipulation for any liberty to use foreign territory at the pleasure of the grantee, without touching any question as to regulation;

(*b*) Because in this same letter LORD BATHURST characterized this right as a policy "temporary and experimental, depending on the use that might be made of it, on the condition of the islands and places where it was to be exercised, and the more general conveniences or inconveniences from a military, naval and commercial point of view"; so that it cannot have been his intention to acknowledge the exclusion of British interference with this right;

(*c*) Because LORD BATHURST in his note to Governor Sir C. HAMILTON in 1819 orders the Governor to take care that the American fishery on the coast of Labrador be carried on *in the same manner* as previous to the late war; showing that he did not interpret the Treaty just signed as a grant conveying absolute immunity from interference with the American fishery right.

For the purpose of such proof it is further contended by the United States:

(9) That on various other occasions following the conclusion of the Treaty, as evidenced by official correspondence, Great Britain made use of expressions inconsistent with the claim to a right of regulation.

The Tribunal, unwilling to invest such expressions with an importance entitling them to affect the general question, considers that such conflicting or inconsistent expressions as have been exposed on either side are sufficiently explained by their relations to ephemeral phases of a controversy of almost secular duration, and should be held to be without direct effect on the principal and present issues.

Now with regard to the second contention involved in Question I, as to whether the right of regulation can be reasonably exercised by Great Britain without the consent of the United States:

Considering that the recognition of a concurrent right of consent in the United States would affect the independence of Great Britain, which would become dependent on the Government of the United States for the exercise of its sovereign right of regulation, and considering that such a co-dominium would be contrary to the constitution of both sovereign States; the burden of proof is imposed on the United States to show that the independence of Great Britain was thus impaired by international contract in 1818 and that a co-dominium was created.

For the purpose of such proof it is contended by the United States:

(10) That a concurrent right to co-operate in the making and enforcement of regulations is the only possible and proper security to their inhabitants for the enjoyment of their liberties of fishery, and that such a right must be held to be implied in the grant of those liberties by the Treaty under interpretation.

The Tribunal is unable to accede to this claim on the ground of a right so implied:

(*a*) Because every State has to execute the obligations incurred by Treaty *bona fide*, and is urged thereto by the ordinary sanctions of International law in regard to observance of Treaty obligations. Such sanctions are, for instance, appeal to public opinion, publication of correspondence, censure by Parliamentary vote, demand for arbitration with the odium attendant on a refusal to arbitrate, rupture of relations, reprisal, etc. But no reason has been shown why this Treaty, in this respect, should be considered as different from every other Treaty under which the right of a State to regulate the action of foreigners admitted by it on its territory is recognized;

(*b*) Because the exercise of such a right of consent by the United States would predicate an abandonment of its independence in this respect by Great Britain, and the recognition by the latter of a concurrent right of regulation in the United States. But the Treaty conveys only a liberty to take fish in common, and neither directly nor indirectly conveys a joint right of regulation;

(*c*) Because the Treaty does not convey a common right of fishery, but a liberty to fish in common. This is evidenced by the attitude of the United States Government in 1823, with respect to the relations of Great Britain and France in regard to the fishery;

(*d*) Because if the consent of the United States were requisite for the fishery a general veto would be accorded them, the full exercise of which would be socially subversive and would lead to the consequence of an unregulatable fishery;

(*e*) Because the United States cannot by assent give legal force and validity to British legislation;

(*f*) Because the liberties to take fish in British territorial waters and to dry and cure fish on land in British territory are in principle on the same footing; but in practice a right of co-operation in the elaboration and enforcement of regulations in regard to the latter liberty (drying and curing fish on land) is unrealisable.

In any event, Great Britain, as the local sovereign, has the duty of preserving and protecting the fisheries. In so far as it is necessary for that purpose, Great Britain is not only entitled, but obliged, to provide for the protection and preservation of the fisheries, always remembering that the exercise of this right of legislation is limited by the obligation to execute the Treaty in good faith. This has been admitted by counsel and recognized by Great Britain in limiting the right of regulation to that of reasonable regulation. The inherent defect of this limitation of reasonableness, without any sanction except in diplomatic remonstrance, has been supplied by the submission to arbitral award as to existing regulations in accordance with Arts. II and III of the Special Agreement, and as to further regulation by the obligation to submit their reasonableness to an arbitral test in accordance with Art. IV of the Agreement.

It is finally contended by the United States:

That the United States did not expressly agree that the liberty granted to them could be subjected to any restriction that the grantor might choose to impose on the ground that in her judgment such restriction was reasonable. And that while admitting that all laws of a general character, controlling the conduct of men within the territory of Great Britain, are effective, binding and beyond objection by the United States, and competent to be made upon the sole determination of Great Britain or her colony, without accountability to anyone whomsoever; yet there is somewhere a line, beyond which it is not competent for Great Britain to go, or beyond which she cannot rightfully go, because to go beyond it would be an invasion of the right granted to the United States in 1818. That the legal effect of the grant of 1818 was not to leave the determination as to where that line is to be drawn to the uncontrolled judgment of the grantor, either upon the grantor's consideration as to what would be a reasonable exercise of its sovereignty over the British Empire, or upon the grantor's consideration of what would be a reasonable exercise thereof towards the grantee.

But this contention is founded on assumptions, which this Tribunal cannot accept for the following reasons in addition to those already set forth:

(*a*) Because the line by which the respective rights of both Parties accruing out of the Treaty are to be circumscribed, can refer only to the right granted by the Treaty; that is to say to the liberty of taking, drying and curing fish by American inhabitants in certain British waters in common with British subjects, and not to the exercise of rights of legislation by Great Britain not referred to in the Treaty;

(*b*) Because a line which would limit the exercise of sovereignty of a State within the limits of its own territory can be drawn only on the ground of express stipulation, and not by implication from stipulations concerning a different subject-matter;

(*c*) Because the line in question is drawn according to the principle of international law that treaty obligations are to be executed in perfect good faith, therefore excluding the right to legislate *at will* concerning the subject-matter of the Treaty, and limiting the exercise of sovereignty of the States bound by a treaty with respect to that subject-matter to such acts as are consistent with the treaty;

(*d*) Because on a true construction of the Treaty the question does not arise whether the United States agreed that Great Britain should retain the right to legislate with regard to the fisheries in her own territory; but whether the Treaty contains an

abdication by Great Britain of the right which Great Britain, as the sovereign power, undoubtedly possessed when the Treaty was made, to regulate those fisheries;

(*e*) Because the right to make reasonable regulations, not inconsistent with the obligations of the Treaty, which is all that is claimed by Great Britain, for a fishery which both Parties admit requires regulation for its preservation, is not a restriction of or an invasion of the liberty granted to the inhabitants of the United States. This grant does not contain words to justify the assumption that the sovereignty of Great Britain upon its own territory was in any way affected; nor can words be found in the Treaty transferring any part of that sovereignty to the United States. Great Britain assumed only duties with regard to the exercise of its sovereignty. The sovereignty of Great Britain over the coastal waters and territory of Newfoundland remains after the Treaty as unimpaired as it was before. But from the Treaty results an obligatory relation whereby the right of Great Britain to exercise its right of sovereignty by making regulations is limited to such regulations as are made in good faith, and are not in violation of the Treaty.

(*f*) Finally to hold that the United States, the grantee of the fishing right, has a voice in the preparation of fishery legislation involves the recognition of a right in that country to participate in the internal legislation of Great Britain and her Colonies, and to that extent would reduce these countries to a state of dependence.

While therefore unable to concede the claim of the United States as based on the Treaty, this Tribunal considers that such claim has been and is to some extent, conceded in the relations now existing between the two Parties. Whatever may have been the situation under the Treaty of 1818 standing alone, the exercise of the right of regulation inherent in Great Britain has been, and is, limited by the repeated recognition of the obligations already referred to, by the limitations and liabilities accepted in the Special Agreement, by the unequivocal position assumed by Great Britain in the presentation of its case before this Tribunal, and by the consequent view of this Tribunal that it would be consistent with all the circumstances, as revealed by this record, as to the duty of Great Britain, that she should submit the reasonableness of any future regulation to such an impartial arbitral test, affording full opportunity therefor, as is hereafter recommended under the authority of Article IV of the Special Agreement, whenever the reasonableness of any regulation is objected to or challenged by the United States in the manner, and within the time hereinafter specified in the said recommendation.

Now therefore this Tribunal decides and awards as follows:

The right of Great Britain to make regulations without the consent of the United States, as to the exercise of the liberty to take fish referred to in Article I of the Treaty of October 20, 1818, in the form of municipal laws, ordinances or rules of Great Britain, Canada or Newfoundland is inherent to the sovereignty of Great Britain.

The exercise of that right by Great Britain is, however, limited by the said Treaty in respect of the said liberties therein granted to the inhabitants of the United States in that such regulations must be made bona fide and must not be in violation of the said Treaty.

Regulations which are (1) appropriate or necessary for the protection and preservation of such fisheries, or (2) desirable or necessary on grounds of public order and morals without unnecessarily interfering with the fishery itself, and in both cases equitable and fair as between local and American fishermen, and not so framed as to give unfairly an advantage to the former over the latter class, are not inconsistent with the obligation to execute the Treaty in good faith, and are therefore reasonable and not in violation of the Treaty.

For the decision of the question whether a regulation is or is not reasonable, as being or not in accordance with the dispositions of the Treaty and not in violation thereof, the Treaty of 1818 contains no speeial provision. The settlement of differences in this respect that might arise thereafter was left to the ordinary means of diplomatic intercourse. By reason, however, of the form in which Question I is put, and by further reason of the admission of Great Britain by her counsel before this Tribunal that it is not now for either of the Parties to the Treaty to determine the reasonableness of any regulation made by Great Britain, Canada or Newfoundland, the reasonableness of any such regulation, if contested, must be decided not by either of the Parties, but by an impartial authority in accordance with the principles hereinabove laid down, and in the manner proposed in the recommendations made by the Tribunal in virtue of Article IV of the Agreement.

The Tribunal further decides that Article IV of the Agreement is, as stated by counsel of the respective Parties at the argument, permanent in its effect, and not terminable by the expiration of the General Arbitration Treaty of 1908, between Great Britain and the United States.

In execution, therefore, of the responsibilities imposed upon this Tribunal in regard to Articles II, III and IV of the Special Agreement, we hereby pronounce in their regard as follows:

AS TO ARTICLE II.

Pursuant to the provisions of this Article, hereinbefore cited, either Party has called the attention of this Tribunal to acts of the other claimed to be inconsistent with the true interpretation of the Treaty of 1818.

But in response to a request from the Tribunal, recorded in Protocol No. XXVI of 19th July, for an exposition of the grounds of such objections, the Parties replied as reported in Protocol No. XXX of 28th July to the following effect:

His Majesty's Government considered that it would be unnecessary to call upon the Tribunal for an opinion under the second clause of Article II, in regard to the executive act of the United States of America in sending warships to the territorial waters in question, in view of the recognized motives of the United States of America in taking this action and of the relations maintained by their representatives with the local authorities. And this being the sole act to which the attention of this Tribunal has been called by His Majesty's Government, no further action in their behalf is required from this Tribunal under Article II.

The United States of America presented a statement in which their claim that specific provisions of certain legislative and executive acts of the Governments of

Canada and Newfoundland were inconsistent with the true interpretation of the Treaty of 1818 was based on the contention that these provisions were not "reasonable" within the meaning of Question I.

After calling upon this Tribunal to express an opinion on these acts, pursuant to the second clause of Article II, the United States of America pointed out in that statement that under Article III any question regarding the reasonableness of any regulation might be referred by the Tribunal to a Commission of expert specialists, and expressed an intention of asking for such reference under certain circumstances.

The Tribunal having carefully considered the counter-statement presented on behalf of Great Britain at the session of August 2nd, is of opinion that the decision on the reasonableness of these regulations requires expert information about the fisheries themselves and an examination of the practical effect of a great number of these provisions in relation to the conditions surrounding the exercise of the liberty of fishery enjoyed by the inhabitants of the United States, as contemplated by Article III. No further action on behalf of the United States is therefore required from this Tribunal under Article II.

AS TO ARTICLE III.

As provided in Article III. hereinbefore cited and above referred to, "any question regarding the reasonableness of any regulation, or otherwise, which requires an examination of the practical effect of any provisions surrounding the exercise of the liberty of fishery enjoyed by the inhabitants of the United States, or which requires expert information about the fisheries themselves, may be referred by this Tribunal to a Commission of expert specialists; one to be designated by each of the Parties hereto and the third, who shall not be a national of either Party, to be designated by the Tribunal."

The Tribunal now therefore calls upon the Parties to designate within one month their national Commissioners for the expert examination of the questions submitted.

As the third non-national Commissioner this Tribunal designates Doctor P. P. C. Hoek, Scientific Adviser for the fisheries of the Netherlands and if any necessity arises therefor a substitute may be appointed by the President of this Tribunal.

After a reasonable time, to be agreed on by the Parties, for the expert Commission to arrive at a conclusion, by conference, or, if necessary, by local inspection, the Tribunal shall, if convoked by the President at the request of either Party, thereupon at the earliest convenient date, reconvene to consider the report of the Commission, and if it be on the whole unanimous shall incorporate it in the award. If not on the whole unanimous, i. e., on all points which in the opinion of the Tribunal are of essential importance, the Tribunal shall make its award as to the regulations concerned after consideration of the conclusions of the expert Commissioners and after hearing argument by counsel.

But while recognizing its responsibilities to meet the obligations imposed on it under Article III of the Special Agreement, the Tribunal hereby recommends

as an alternative to having recourse to a reconvention of this Tribunal, that the Parties should accept the unanimous opinion of the Commission or the opinion of the non-national Commissioner on any points in dispute as an arbitral award rendered under the provisions of Chapter IV of the Hague Convention of 1907.

AS TO ARTICLE IV.

Pursuant to the provisions of this Article, hereinbefore cited, this Tribunal recommends for the consideration of the Parties the following rules and method of procedure under which all questions which may arise in the future regarding the exercise of the liberties above referred to may be determined in accordance with the principles laid down in this award.

1.

All future municipal laws, ordinances or rules for the regulation of the fishery by Great Britain in respect of (1) the hours, days or seasons when fish may be taken on the Treaty coasts; (2) the method, means and implements used in the taking of fish or in carrying on fishing operations; (3) any other regulation of a similar character shall be published in the London Gazette two months before going into operation.

Similar regulations by Canada or Newfoundland shall be similarly published in the Canada Gazette and the Newfoundland Gazette respectively.

2.

If the Government of the United States considers any such laws or regulations inconsistent with the Treaty of 1818, it is entitled to so notify the Government of Great Britain within the two months referred to in Rule No. 1.

3.

Any law or regulation so notified shall not come into effect with respect to inhabitants of the United States until the Permanent Mixed Fishery Commission has decided that the regulation is reasonable within the meaning of this award.

4.

Permanent Mixed Fishery Commissions for Canada and Newfoundland respectively shall be established for the decision of such questions as to the reasonableness of future regulations, as contemplated by Article IV of the Special Agreement; these Commissions shall consist of an expert national appointed by either Party for five years. The third member shall not be a national of either Party; he shall be nominated for five years by agreement of the Parties, or failing such agreement within two months, he shall be nominated by Her Majesty the Queen of the Netherlands. The two national members shall be convoked by the Government of Great Britain within one month from the date of notification by the Government of the United States.

5.

The two national members having failed to agree within one month, within another month the full Commission, under the presidency of the umpire, is to be

convoked by Great Britain. It must deliver its decision, if the two Governments do not agree otherwise, at the latest in three months. The Umpire shall conduct the procedure in accordance with that provided in Chapter IV of the Convention for the Pacific Settlement of International Disputes, except in so far as herein otherwise provided.

6.

The form of convocation of the Commission including the terms of reference of the question at issue shall be as follows: "The provision hereinafter fully set forth of an Act dated , published in the has been notified to the Government of Great Britain by the Government of the United States, under date of , as provided by the award of the Hague Tribunal of September 7th, 1910.

"Pursuant to the provisions of that award the Government of Great Britain hereby convokes the Permanent Mixed Fishery Commission for {Canada, Newfoundland,} composed of Commissioner for the United States of America, and of Commissioner for {Canada, Newfoundland,} which shall meet at and render a decision within one month as to whether the provision so notified is reasonable and consistent with the Treaty of 1818, as interpreted by the award of the Hague Tribunal of September 7th, 1910, and if not, in what respect it is unreasonable and inconsistent therewith.

"Failing an agreement on this question within one month the Commission shall so notify the Government of Great Britain in order that the further action required by that award may be taken for the decision of the above question.

"The provision is as follows:

7.

The unanimous decision of the two national Commissioners, or the majority decision of the Umpire and one Commissioner, shall be final and binding.

QUESTION II.

Have the inhabitants of the United States, while exercising the liberties referred to in said Article, a right to employ as members of the fishing crews of their vessels persons not inhabitants of the United States?

In regard to this question the United States claim in substance:

1. That the liberty assured to their inhabitants by the Treaty plainly includes the right to use all the means customary or appropriate for fishing upon the sea, not only ships and nets and boats, but crews to handle the ships and the nets and boats;
2. That no right to control or limit the means which these inhabitants shall use in fishing can be admitted unless it is provided in the terms of the Treaty and no right to question the nationality or inhabitancy of the crews employed is contained in the terms of the Treaty.

And Great Britain claims:

1. That the Treaty confers the liberty to inhabitants of the United States exclusively;

2. That the Governments of Great Britain, Canada or Newfoundland may, without infraction of the Treaty, prohibit persons from engaging as fishermen in American vessels.

Now considering (1) that the liberty to take fish is an economic right attributed by the Treaty; (2) that it is attributed to inhabitants of the United States, without any mention of their nationality; (3) that the exercise of an economic right includes the right to employ servants; (4) that the right of employing servants has not been limited by the Treaty to the employment of persons of a distinct nationality or inhabitancy; (5) that the liberty to take fish as an economic liberty refers not only to the individuals doing the manual act of fishing, but also to those for whose profit the fish are taken.

But considering, that the Treaty does not intend to grant to individual persons or to a class of persons the liberty to take fish in certain waters "in common," that is to say in company, with individual British subjects, in the sense that no law could forbid British subjects to take service on American fishing ships; (2) that the Treaty intends to secure to the United States a share of the fisheries designated therein, not only in the interest of a certain class of individuals, but also in the interest of both the United States and Great Britain, as appears from the evidence and notably from the correspondence between Mr. ADAMS and LORD BATHURST in 1815; (3) that the inhabitants of the United States do not derive the liberty to take fish directly from the Treaty, but from the United States Government as party to the Treaty with Great Britain and moreover exercising the right to regulate the conditions under which its inhabitants may enjoy the granted liberty; (4) that it is in the interest of the inhabitants of the United States that the fishing liberty granted to them be restricted to exercise by them and removed from the enjoyment of other aliens not entitled by this Treaty to participate in the fisheries; (5) that such restrictions have been throughout enacted in the British Statute of June 15, 1819, and that of June 3, 1824, to this effect, that no alien or stranger whatsoever shall fish in the waters designated therein, except in so far as by treaty thereto entitled, and that this exception will, in virtue of the Treaty of 1818, as hereinabove interpreted by this award, exempt from these statutes American fishermen fishing by the agency of non-inhabitant aliens employed in their service; (6) that the Treaty does not affect the sovereign right of Great Britain as to aliens, non-inhabitants of the United States, nor the right of Great Britain to regulate the engagement of British subjects, while these aliens or British subjects are on British territory.

Now therefore, in view of the preceding considerations this Tribunal is of opinion that the inhabitants of the United States while exercising the liberties referred to in the said article have a right to employ, as members of the fishing crews of their vessels, persons not inhabitants of the United States.

But in view of the preceding considerations the Tribunal, to prevent any misunderstanding as to the effect of its award, expresses the opinion that non-inhabitants employed as members of the fishing crews of United States vessels derive no benefit or immunity from the Treaty and it is so decided and awarded.

QUESTION III.

Can the exercise by the inhabitants of the United States of the liberties referred to in the said Article be subjected, without the consent of the United States, to the requirements of entry or report at custom houses or the payment of light or harbour or other dues, or to any other similar requirement or condition or exaction?

The Tribunal is of opinion as follows:

It is obvious that the liberties referred to in this question are those that relate to taking fish and to drying and curing fish on certain coasts as prescribed in the Treaty of October 20, 1818. The exercise of these liberties by the inhabitants of the United States in the prescribed waters to which they relate, has no reference to any commercial privileges which may or may not attach to such vessels by reason of any supposed authority outside the Treaty, which itself confers no commercial privileges whatever upon the inhabitants of the United States or the vessels in which they may exercise the fishing liberty. It follows, therefore, that when the inhabitants of the United States are not seeking to exercise the commercial privileges accorded to trading vessels for the vessels in which they are exercising the granted liberty of fishing, they ought not to be subjected to requirements as to report and entry at custom houses that are only appropriate to the exercise of commercial privileges. The exercise of the fishing liberty is distinct from the exercise of commercial or trading privileges and it is not competent for Great Britain or her colonies to impose upon the former exactions only appropriate to the latter. The reasons for the requirements enumerated in the case of commercial vessels, have no relation to the case of fishing vessels.

We think, however, that the requirement that American fishing vessels should report, if proper conveniences and an opportunity for doing so are provided, is not unreasonable or inappropriate. Such a report, while serving the purpose of a notification of the presence of a fishing vessel in the treaty waters for the purpose of exercising the treaty liberty, while it gives an opportunity for a proper surveillance of such vessel by revenue officers, may also serve to afford to such fishing vessel protection from interference in the exercise of the fishing liberty. There should be no such requirement, however, unless reasonably convenient opportunity therefor be afforded in person or by telegraph, at a custom house or to a customs official.

The Tribunal is also of opinion that light and harbour dues, if not imposed on Newfoundland fishermen, should not be imposed on American fishermen while exercising the liberty granted by the Treaty. To impose such dues on American fishermen only would constitute an unfair discrimination between them and Newfoundland fishermen and one inconsistent with the liberty granted to American fishermen to take fish, etc., "in common with the subjects of His Britannic Majesty."

Further, the Tribunal considers that the fulfilment of the requirement as to report by fishing vessels on arrival at the fishery would be greatly facilitated in the interests of both parties by the adoption of a system of registration, and distinctive marking of the fishing boats of both parties, analogous to that established by Articles V to XIII. inclusive, of the International Convention signed at The Hague, 8 May, 1882, for the regulation of the North Sea Fisheries.

The Tribunal therefore decides and awards as follows:

The requirement that an American fishing vessel should report, if proper conveniences for doing so are at hand, is not unreasonable, for the reasons stated in the foregoing opinion. There should be no such requirement, however, unless there be reasonably convenient opportunity afforded to report in person or by telegraph, either at a custom house or to a customs official.

But the exercise of the fishing liberty by the inhabitants of the United States should not be subjected to the purely commercial formalities of report, entry and clearance at a custom house, nor to light, harbour or other dues not imposed upon Newfoundland fishermen.

QUESTION IV.

Under the provision of the said Article that the American fishermen shall be admitted to enter certain bays or harbours for shelter, repairs, wood, or water, and for no other purpose whatever, but that they shall be under such restrictions as may be necessary to prevent their taking, drying or curing fish therein or in any other manner whatever abusing the privileges thereby reserved to them, is it permissible to impose restrictions making the exercise of such privileges conditional upon the payment of light or harbour or other dues, or entering or reporting at custom houses or any similar conditions?

The Tribunal is of opinion that the provision in the first Article of the Treaty of October 20, 1818, admitting American fishermen to enter certain bays or harbours for shelter, repairs, wood and water, and for no other purpose whatever, is an exercise in large measure of those duties of hospitality and humanity which all civilized nations impose upon themselves and expect the performance of from others. The enumerated purposes for which entry is permitted all relate to the exigencies in which those who pursue their perilous calling on the sea may be involved. The proviso which appears in the first article of the said Treaty immediately after the so-called renunciation clause, was doubtless due to a recognition by Great Britain of what was expected from the humanity and civilization of the then leading commercial nation of the world. To impose restrictions making the exercise of such privileges conditional upon the payment of light, harbour or other dues, or entering and reporting at custom houses, or any similar conditions would be inconsistent with the grounds upon which such privileges rest and therefore is not permissible.

And it is decided and awarded that such restrictions are not permissible.

It seems reasonable, however, in order that these privileges accorded by Great Britain on these grounds of hospitality and humanity should not be abused, that the American fishermen entering such bays for any of the four purposes aforesaid and remaining more than 48 hours therein, should be required, if thought necessary by Great Britain or the Colonial Government, to report, either in person or by telegraph, at a custom house or to a customs official, if reasonably convenient opportunity therefor is afforded.

And it is so decided and awarded.

QUESTION V.

From where must be measured the "three marine miles of any of the coasts, bays, creeks, or harbours" referred to in the said Article?

In regard to this question, Great Britain claims that the renunciation applies to all bays generally and

The United States contend that it applies to bays of a certain class or condition.

Now, considering that the Treaty used the general term "bays" without qualification, the Tribunal is of opinion that these words of the Treaty must be interpreted in a general sense as applying to every bay on the coast in question that might be reasonably supposed to have been considered as a bay by the negotiators of the Treaty under the general conditions then prevailing, unless the United States can adduce satisfactory proof that any restrictions or qualifications of the general use of the term were or should have been present to their minds.

And for the purpose of such proof the United States contend:

1°. That while a State may renounce the treaty right to fish in foreign territorial waters, it cannot renounce the natural right to fish on the High Seas.

But the Tribunal is unable to agree with this contention. Because though a State cannot grant rights on the High Seas it certainly can abandon the exercise of its right to fish on the High Seas within certain definite limits. Such an abandonment was made with respect to their fishing rights in the waters in question by France and Spain in 1763. By a convention between the United Kingdom and the United States in 1846, the two countries assumed ownership over waters in Fuca Straits at distances from the shore as great as 17 miles.

The United States contend moreover:

2°. That by the use of the term "liberty to fish" the United States manifested the intention to renounce the liberty in the waters referred to only in so far as that liberty was dependent upon or derived from a concession on the part of Great Britain, and not to renounce the right to fish in those waters where it was enjoyed by virtue of their natural right as an independent State.

But the Tribunal is unable to agree with this contention:

(*a*) Because the term "liberty to fish" was used in the renunciatory clause of the Treaty of 1818 because the same term had been previously used in the Treaty of 1783 which gave the liberty; and it was proper to use in the renunciation clause the same term that was used in the grant with respect to the object of the grant; and, in view of the terms of the grant, it would have been improper to use the term "right" in the renunciation. Therefore the conclusion drawn from the use of the term "liberty" instead of the term "right" is not justified;

(*b*) Because the term "liberty" was a term properly applicable to the renunciation which referred not only to fishing in the territorial waters but also to drying and curing on the shore. This latter right was undoubtedly held under the provisions of the Treaty and was not a right accruing to the United States by virtue of any principle of the international law.

3°. The United States also contend that the term "bays of His Britannic Majesty's Dominions" in the renunciatory clause must be read as including only those bays which were under the territorial sovereignty of Great Britain.

But the Tribunal is unable to accept this contention:

(*a*) Because the description of the coast on which the fishery is to be exercised by the inhabitants of the United States is expressed throughout the Treaty of 1818 in geographical terms and not by reference to political control; the Treaty describes the coast as contained between capes;

(*b*) Because to express the political concept of dominion as equivalent to sovereignty, the word "dominion" in the singular would have been an adequate term and not "dominions" in the plural; this latter term having a recognized and well settled meaning as descriptive of those portions of the Earth which owe political allegiance to His Majesty; e. g. "His Britannic Majesty's Dominions beyond the Seas."

4°. It has been further contended by the United States that the renunciation applies only to bays six miles or less in width "inter fauces terrae," those bays only being territorial bays, because the three mile rule is, as shown by this Treaty, a principle of international law applicable to coasts and should be strictly and systematically applied to bays.

But the Tribunal is unable to agree with this contention:

(*a*) Because admittedly the geographical character of a bay contains conditions which concern the interests of the territorial sovereign to a more intimate and important extent than do those connected with the open coast. Thus conditions of national and territorial integrity, of defence, of commerce and of industry are all vitally concerned with the control of the bays penetrating the national coast line. This interest varies, speaking generally in proportion to the penetration inland of the bay; but as no principle of international law recognizes any specified relation between the concavity of the bay and the requirements for control by the territorial sovereignty, this Tribunal is unable to qualify by the application of any new principle its interpretation of the Treaty of 1818 as excluding bays in general from the strict and systematic application of the three mile rule; nor can this Tribunal take cognizance in this connection of other principles concerning the territorial sovereignty over bays such as ten mile or twelve mile limits of exclusion based on international acts subsequent to the Treaty of 1818 and relating to coasts of a different configuration and conditions of a different character;

(*b*) Because the opinion of jurists and publicists quoted in the proceedings conduce to the opinion that speaking generally the three mile rule should not be strictly and systematically applied to bays;

(*c*) Because the treaties referring to these coasts, antedating the Treaty of 1818, made special provisions as to bays, such as the Treaties of 1686 and 1713 between Great Britain and France, and especially the Treaty of 1778 between the United States and France. Likewise JAY'S Treaty of 1794 Art. 25, distinguished bays from the space "within cannon-shot of the coast" in regard to the right of seizure in times of war. If the proposed Treaty of 1806 and the Treaty of 1818 contained no dis-

position to that effect, the explanation may be found in the fact that the first extended the marginal belt to five miles, and also in the circumstance that the American proposition of 1818 in that respect was not limited to "bays," but extended to "chambers formed by headlands" and to "five marine miles from a right line from one headland to another," a proposition which in the times of the Napoleonic wars would have affected to a very large extent the operations of the British navy;

(*d*) Because it has not been shown by the documents and correspondence in evidence here that the application of the three mile rule to bays was present to the minds of the negotiators in 1818 and they could not reasonably have been expected either to presume it or to provide against its presumption;

(*e*) Because it is difficult to explain the words in Art. III of the Treaty under interpretation "country . . . . together with its bays, harbours and creeks" otherwise than that all bays without distinction as to their width were, in the opinion of the negotiators, part of the territory;

(*f*) Because from the information before this Tribunal it is evident that the three mile rule is not applied to bays strictly or systematically either by the United States or by any other Power;

(*g*) It has been recognized by the United States that bays stand apart, and that in respect of them territorial jurisdiction may be exercised farther than the marginal belt in the case of Delaware bay by the report of the United States Attorney General of May 19, 1793; and the letter of Mr. JEFFERSON to Mr. GENET of Nov. 8, 1793, declares the bays of the United States generally to be, "as being landlocked, within the body of the United States."

5°. In this latter regard it is further contended by the United States, that such exceptions only should be made from the application of the three mile rule to bays as are sanctioned by conventions and established usage; that all exceptions for which the United States of America were responsible are so sanctioned; and that His Majesty's Government are unable to provide evidence to show that the bays concerned by the Treaty of 1818 could be claimed as exceptions on these grounds either generally, or except possibly in one or two cases, specifically.

But the Tribunal while recognizing that conventions and established usage might be considered as the basis for claiming as territorial those bays which on this ground might be called historic bays, and that such claim should be held valid in the absence of any principle of international law on the subject; nevertheless is unable to apply this, *a contrario*, so as to subject the bays in question to the three mile rule, as desired by the United States:

(*a*) Because Great Britain has during this controversy asserted a claim to these bays generally, and has enforced such claim specifically in statutes or otherwise, in regard to the more important bays such as Chaleurs, Conception and Miramichi;

(*b*) Because neither should such relaxations of this claim, as are in evidence, be construed as renunciations of it; nor should omissions to enforce the claim in regard to bays as to which no controversy arose, be so construed. Such a construction by this Tribunal would not only be intrinsically inequitable but internationally injurious;

in that it would discourage conciliatory diplomatic transactions and encourage the assertion of extreme claims in their fullest extent:

(*c*) Because any such relaxations in the extreme claim of Great Britain in its international relations are compensated by recognitions of it in the same sphere by the United States; notably in relations with France for instance in 1823 when they applied to Great Britain for the protection of their fishery in the bays on the western coast of Newfoundland, whence they had been driven by French war vessels on the ground of the pretended exclusive right of the French. Though they never asserted that their fishermen had been disturbed within the three mile zone, only alleging that the disturbance had taken place in the bays, they claimed to be protected by Great Britain for having been molested in waters which were, as Mr. RUSH stated "clearly within the jurisdiction and sovereignty of Great Britain."

6°. It has been contended by the United States that the words "coasts, bays, creek or harbours," are here used only to express different parts of the coast and are intended to express and be equivalent to the word "coast," whereby the three marine miles would be measured from the sinuosities of the coast and the renunciation would apply only to the waters of bays within three miles.

But the Tribunal is unable to agree with this contention:

(*a*) Because it is a principle of interpretation that words in a document ought not to be considered as being without any meaning if there is not specific evidence to that purpose and the interpretation referred to would lead to the consequence, practically, of reading the words "bays, creeks and harbours" out of the Treaty: so that it would read "within three miles of any of the coasts" including therein the coasts of the bays and harbours;

(*b*) Because the word "therein" in the proviso—"restrictions necessary to prevent their taking, drying or curing fish therein" can refer only to "bays," and not to the belt of three miles along the coast; and can be explained only on the supposition that the words "bays, creeks and harbours" are to be understood in their usual ordinary sense and not in an artificially restricted sense of bays within the three mile belt;

(*c*) Because the practical distinction for the purpose of this fishery between coasts and bays and the exceptional conditions pertaining to the latter has been shown from the correspondence and the documents in evidence, especially the Treaty of 1783, to have been in all probability present to the minds of the negotiators of the Treaty of 1818;

(*d*) Because the existence of this distinction is confirmed in the same article of the Treaty by the proviso permitting the United States fishermen to enter bays for certain purposes;

(*e*) Because the word "coasts" is used in the plural form whereas the contention would require its use in the singular;

(*f*) Because the Tribunal is unable to understand the term "bays" in the renunciatory clause in other than its geographical sense, by which a bay is to be considered as an indentation of the coast, bearing a configuration of a particular character easy to determine specifically, but difficult to describe generally.

The negotiators of the Treaty of 1818 did probably not trouble themselves with subtle theories concerning the notion of "bays"; they most probably thought that everybody would know what was a bay. In this popular sense the term must be interpreted in the Treaty. The interpretation must take into account all the individual circumstances which for any one of the different bays are to be appreciated, the relation of its width to the length of penetration inland, the possibility and the necessity of its being defended by the State in whose territory it is indented; the special value which it has for the industry of the inhabitants of its shores; the distance which it is secluded from the highways of nations on the open sea and other circumstances not possible to enumerate in general.

For these reasons the Tribunal decides and awards:

In case of bays the three marine miles are to be measured from a straight line drawn across the body of water at the place where it ceases to have the configuration and characteristics of a bay. At all other places the three marine miles are to be measured following the sinuosities of the coast.

But considering the Tribunal cannot overlook that this answer to Question V. although correct in principle and the only one possible in view of the want of a sufficient basis for a more concrete answer, is not entirely satisfactory as to its practical applicability, and that it leaves room for doubts and differences in practice. Therefore the Tribunal considers it its duty to render the decision more practicable and to remove the danger of future differences by adjoining to it, a recommendation in virtue of the responsibilities imposed by Art. IV of the Special Agreement.

Considering, moreover, that in treaties with France, with the North German Confederation and the German Empire and likewise in the North Sea Convention, Great Britain has adopted for similar cases the rule that only bays of ten miles width should be considered as those wherein the fishing is reserved to nationals. And that in the course of the negotiations between Great Britain and the United States a similar rule has been on various occasions proposed and adopted by Great Britain in instructions to the naval officers stationed on these coasts. And that though these circumstances are not sufficient to constitute this a principle of international law, it seems reasonable to propose this rule with certain exceptions, all the more that this rule with such exception has already formed the basis of an agreement between the two powers.

Now therefore this Tribunal in pursuance of the provisions of Art. IV hereby recommends for the consideration and acceptance of the High Contracting Parties the following rules and method of procedure for determining the limits of the bays hereinbefore enumerated.

1.

In every bay not hereinafter specifically provided for the limits of exclusion shall be drawn three miles seaward from a straight line across the bay in the part nearest the entrance at the first point where the width does not exceed ten miles.

2.

In the following bays where the configuration of the coast and the local climatic conditions are such that foreign fishermen when within the geographic

headlands might reasonably and bona fide believe themselves on the high seas, the limits of exclusion shall be drawn in each case between the headlands hereinafter specified as being those at and within which such fishermen might be reasonably expected to recognize the bay under average conditions.

For the Baie des Chaleurs the line from the Light at Birch Point on Miscou Island to Macquereau Point Light: for the Bay of Miramichi, the line from the Light at Point Escuminac to the Light on the Eastern Point of Tabusintac Gully; for Egmont Bay, in Prince Edward Island, the line from the light at Cape Egmont to the Light at West Point; and off St. Ann's Bay, in the Province of Nova Scotia, the line from the Light at Point Anconi to the nearest point on the opposite shore of the mainland.

For Fortune Bay, in Newfoundland, the line from Connaigre Head to the Light on the Southeasterly end of Brunet Island, thence to Fortune Head.

For or near the following bays the limits of exclusion shall be three marine miles seawards from the following lines, namely:

For or near Barrington Bay, in Nova Scotia, the line from the Light on Stoddart Island to the Light on the south point of Cape Sable, thence to the light at Baccaro Point; at Chedabucto and St. Peter's Bays, the line from Cranberry Island Light to Green Island Light, thence to Point Rouge; for Mira Bay, the line from the Light on the East Point of Scatari Island to the Northeasterly Point of Cape Morien; and at Placentia Bay, in Newfoundland, the line from Latine Point, on the Eastern mainland shore, to the most Southerly Point of Red Island, thence by the most Southerly Point of Merasheen Island to the mainland.

Long Island and Bryer Island, on St. Mary's Bay, in Nova Scotia, shall, for the purpose of delimitation, be taken as the coasts of such bays.

It is understood that nothing in these rules refers either to the Bay of Fundy considered as a whole apart from its bays and creeks or as to the innocent passage through the Gut of Canso, which were excluded by the agreement made by exchange of notes between Mr. Bacon and Mr. Bryce dated February 21, 1909, and March 4, 1909; or to Conception Bay, which was provided for by the decision of the Privy Council in the case of the Direct United States Cable Company v. The Anglo American Telegraph Company, in which decision the United States have acquiesced.

QUESTION VI.

Have the inhabitants of the United States the liberty under the said Article or otherwise, to take fish in the bays, harbours, and creeks on that part of the southern coast of Newfoundland which extends from Cape Ray to Rameau Islands, or on the western and northern coasts of Newfoundland from Cape Ray to Quirpon Islands, or on the Magdalen Islands?

In regard to this question, it is contended by the United States that the inhabitants of the United States have the liberty under Art. I of the Treaty of taking fish in the bays, harbours and creeks on that part of the Southern Coast of Newfoundland which extends from Cape Ray to Rameau Islands or on the

western and northern coasts of Newfoundland from Cape Ray to Quirpon Islands and on the Magdalen Islands. It is contended by Great Britain that they have no such liberty.

Now considering that the evidence seems to show that the intention of the Parties to the Treaty of 1818, as indicated by the records of the negotiations and by the subsequent attitude of the Governments was to admit the United States to such fishery, this Tribunal is of opinion that it is incumbent on Great Britain to produce satisfactory proof that the United States are not so entitled under the Treaty.

For this purpose Great Britain points to the fact that whereas the Treaty grants to American Fishermen liberty to take fish "on the coasts, bays, harbours, and creeks from Mount Joly on the Southern coast of Labrador" the liberty is granted to the "coast" only of Newfoundland and to the "shore" only of the Magdalen Islands; and argues that evidence can be found in the correspondence submitted indicating an intention to exclude Americans from Newfoundland bays on the Treaty Coast, and that no value would have been attached at that time by the United States Government to the liberty of fishing in such bays because there was no cod fishery there as there was in the bays of Labrador.

But the Tribunal is unable to agree with this contention:

(*a*) Because the words "part of the southern coast . . . from . . . .to" and the words "Western and Northern Coast . . . from . . . . to", clearly indicate one uninterrupted coast-line; and there is no reason to read into the words "coast" a contradistinction to bays, in order to exclude bays. On the contrary, as already held in the answer to Question V, the words "liberty, forever, to dry and cure fish in any of the unsettled bays, harbours and creeks of the Southern part of the Coast of Newfoundland hereabove described," indicate that in the meaning of the Treaty, as in all the preceding treaties relating to the same territories, the words coast, coasts, harbours, bays, etc., are used, without attaching to the word "coast" the specific meaning of excluding bays. Thus in the provision of the Treaty of 1783 giving liberty "to take fish on such part of the coast of Newfoundland as British fishermen shall use;" the word "coast" necessarily includes bays, because if the intention had been to prohibit the entering of the bays for fishing the following words "but not to dry or cure the same on that island," would have no meaning. The contention that in the Treaty of 1783 the word "bays" is inserted lest otherwise Great Britain would have had the right to exclude the Americans to the three mile line, is inadmissible, because in that Treaty that line is not mentioned;

(*b*) Because the correspondence between Mr. Adams and Lord Bathurst also shows that during the negotiations for the Treaty the United States demanded the former rights enjoyed under the Treaty of 1783, and that Lord Bathurst in the letter of 30th October, 1815, made no objection to granting those "former rights" "placed under some modifications," which latter did not relate to the right of fishing in bays, but only to the "pre-occupation of British harbours and creeks by the fishing vessels of the United States and the forcible exclusion of British subjects where the fishery might be most advantageously conducted," and "to the clandestine introduction of prohibited goods into the British colonies." It may be therefore assumed that the word "coast" is used in both Treaties in the same sense, including bays;

(*c*) Because the Treaty expressly allows the liberty to dry and cure in the unsettled bays, etc., of the southern part of the coast of Newfoundland, and this shows that, a fortiori, the taking of fish in those bays is also allowed; because the fishing liberty was a lesser burden than the grant to cure and dry, and restrictive clauses never refer to fishing in contradistinction to drying, but always to drying in contradistinction to fishing. Fishing is granted without drying, never drying without fishing;

(*d*) Because there is not sufficient evidence to show that the enumeration of the component parts of the coast of Labrador was made in order to discriminate between the coast of Labrador and the coast of Newfoundland;

(*e*) Because the statement that there is no codfish in the bays of Newfoundland and that the Americans only took interest in the codfishery is not proved; and evidence to the contrary is to be found in Mr. JOHN ADAMS' Journal of Peace Negotiations of November 25, 1782;

(*f*) Because the Treaty grants the right to take fish of every kind, and not only codfish;

(*g*) Because the evidence shows that, in 1823, the Americans were fishing in Newfoundland bays and that Great Britain when summoned to protect them against expulsion therefrom by the French did not deny their right to enter such bays.

Therefore this Tribunal is of opinion that American inhabitants are entitled to fish in the bays, creeks and harbours of the Treaty coasts of Newfoundland and the Magdalen Islands and it is so decided and awarded.

QUESTION VII.

Are the inhabitants of the United States whose vessels resort to the Treaty Coasts for the purpose of exercising the liberties referred to in Article I of the Treaty of 1818 entitled to have for those vessels, when duly authorized by the United States in that behalf, the commercial privileges on the Treaty Coasts accorded by agreement or otherwise to United States trading vessels generally?

Now assuming that commercial privileges on the Treaty Coasts are accorded by agreement or otherwise to United States trading vessels generally, without any exception, the inhabitants of the United States, whose vessels resort to the same coasts for the purpose of exercising the liberties referred to in Article I of the Treaty of 1818, are entitled to have for those vessels when duly authorized by the United States in that behalf, the above mentioned commercial privileges, the Treaty containing nothing to the contrary. But they cannot at the same time and during the same voyage exercise their Treaty rights and enjoy their commercial privileges, because Treaty rights and commercial privileges are submitted to different rules, regulations and restraints.

For these reasons this Tribunal is of opinion that the inhabitants of the United States are so entitled in so far as concerns this Treaty, there being nothing in its provisions to disentitle them provided the Treaty liberty of fishing and the

commercial privileges are not exercised concurrently and it is so decided and awarded.

Done at the Hague, in the Permanent Court of Arbitration, in triplicate original, September 7, 1910.

H. LAMMASCH.
A. F. DE SAVORNIN LOHMAN.
GEORGE GRAY.
C. FITZPATRICK.
LUIS M. DRAGO.

Signing the Award, I state pursuant to Article IX clause 2 of the Special Agreement my dissent from the majority of the Tribunal in respect to the considerations and enacting part of the Award as to Question V.

Grounds for this dissent have been filed at the International Bureau of the Permanent Court of Arbitration.

LUIS M. DRAGO.

GROUNDS FOR THE DISSENT TO THE AWARD ON QUESTION V BY DR. LUIS M. DRAGO.

Counsel for Great Britain have very clearly stated that according to their contention the territoriality of the bays referred to in the Treaty of 1818 is immaterial because whether they are or are not territorial, the United States should be excluded from fishing in them by the terms of the renunciatory clause, which simply refers to "bays, creeks or harbours of His Britannic Majesty's Dominions" without any other qualification or description. If that were so, the necessity might arise of discussing whether or not a nation has the right to exclude another by contract or otherwise from any portion or portions of the high seas. But in my opinion the Tribunal need not concern itself with such general question, the wording of the Treaty being clear enough to decide the point at issue.

Article I begins with the statement that differences have arisen respecting the liberty claimed by the United States for the inhabitants thereof to take, dry and cure fish on "certain coasts, bays, harbours and creeks, of His Britannic Majesty's Dominions in America," and then proceeds to locate the specific portions of the coast with its corresponding indentations, in which the liberty of taking, drying and curing fish should be exercised. The renunciatory clause, which the Tribunal is called upon to construe, runs thus: "And the United States hereby renounce, forever, any liberty heretofore enjoyed or claimed by the inhabitants thereof, to take, dry or cure fish on, or within three marine miles of any of the coasts, bays, creeks or harbours of His Britannic Majesty's Dominions in America not included within the above mentioned limits." This language does not lend itself to different constructions. If the bays in which the liberty has been renounced are those "of His Britannic Majesty's Dominions in America," they must necessarily be territorial bays, because in so far as they are not so considered they should belong to the high seas and consequently form no part of His Britannic Majesty's Dominions, which, by

definition, do not extend to the high seas. It cannot be said, as has been suggested, that the use of the word "dominions," in the plural, implies a different meaning than would be conveyed by the same term as used in the singular, so that in the present case, "the British dominions in America" ought to be considered as a mere geographical expression, without reference to any right of sovereignty or "*dominion.*" It seems to me, on the contrary, that "dominions," or "possessions," or "estates," or such other equivalent terms, simply designate the places over which the "dominion" or property rights are exercised. Where there is no possibility of appropriation or dominion, as on the high seas, we cannot speak of dominions. The "dominions" extend exactly to the point which the "dominion" reaches; they are simply the actual or physical thing over which the abstract power or authority, the *right,* as given to the proprietor or the ruler, applies. The interpretation as to the territoriality of the bays as mentioned in the renunciatory clause of the treaty appears stronger when considering that the United States specifically renounced the "liberty," not the "right" to fish or to cure and dry fish. "The United States renounced, forever, any *liberty* heretofore enjoyed or claimed, to take, cure or dry fish on, or within three marine miles of any of the coasts, bays, creeks or harbours of His Britannic Majesty's Dominions in America." It is well known that the negotiators of the Treaty of 1783 gave a very different meaning to the terms *liberty* and *right,* as distinguished from each other. In this connection Mr. ADAMS' Journal may be recited. To this Journal the British Counter Case refers in the following terms: "From an entry in Mr. ADAMS' Journal it appears he drafted an article by which he distinguished the *right* to take fish (both on the high seas and on the shores) and the *liberty* to take and cure fish on the land. But on the following day he presented to the British negotiators a draft in which he distinguishes between the "*right*" to take fish on the high seas, and the "*liberty*" to take fish on the "*coasts,*" and to dry and cure fish on the land ****. The British Commissioner called attention to the distinction thus suggested by Mr. ADAMS and proposed that the word *liberty* should be applied to the privileges both on the water and on the land. Mr. Adams thereupon rose up and made a vehement protest, as is recorded in his diary, against the suggestion that the United States enjoyed the fishing on the banks of Newfoundland by any other title than that of *right.* **** The application of the word *liberty* to the coast fishery was left as Mr. ADAMS proposed." "The incident, proceeds the British Case, is of importance, since it shows that the difference between the two phrases was intentional." (British Counter Case, page 17.) And the British Argument emphasizes again the difference. "More cogent still is the distinction between the words *right* and *liberty.* The word *right* is applied to the sea fisheries, and the word *liberty* to the shore fisheries. The history of the negotiations shows that this distinction was advisedly adopted." If then a *liberty* is a grant and not the recognition of a *right;* if, as the British Case, Counter Case and Argument recognize, the United States had the right to fish in the open sea in contradistinction with the *liberty* to fish near the shores or portions of the shores, and if what has been renounced in the words of the treaty is the "*liberty*" to fish on, or within three miles of the bays, creeks and harbours of His Britannic Majesty's Dominions, it clearly follows that such *liberty* and the corresponding renunciation refers only to such portions of the bays which

were under the sovereignty of Great Britain and not to such other portions, if any, as form part of the high seas.

And thus it appears that far from being immaterial the territoriality of bays is of the utmost importance. The Treaty not containing any rule or indication upon the subject, the Tribunal cannot help a decision as to this point, which involves the second branch of the British contention that all so-called bays are not only geographical but wholly territorial as well, and subject to the jurisdiction of Great Britian. The situation was very accurately described on almost the same lines as above stated by the British Memorandum sent in 1870 by the Earl of Kimberley to Governor Sir JOHN YOUNG: "The right of Great Britain to exclude American fishermen from waters within three miles of the coasts is unambiguous, and, it is believed, uncontested. But there appears to be some doubt what are the waters described as within three miles of bays, creeks or harbours. When a bay is less than six miles broad its waters are within the three mile limit, and therefore clearly within the meaning of the Treaty; *but when it is more than that breadth, the question arises whether it is a bay of Her Britannic Majesty's Dominions.* This is a question which has to be considered in each particular case with regard to international law and usage. When such a bay is not a bay of Her Majesty's dominions, the American fishermen shall be entitled to fish in it, except within three marine miles of the 'coast;' when it is a bay of Her Majesty's dominions they will not be entitled to fish within three miles of it, that is to say (it is presumed) within three miles of a line drawn from headland to headland." (American Case Appendix, page 629).

Now, it must be stated in the first place that there does not seem to exist any general rule of international law which may be considered final, even in what refers to the marginal belt of territorial waters. The old rule of the cannon-shot, crystallized into the present three marine miles measured from low water mark, may be modified at a later period inasmuch as certain nations claim a wider jurisdiction and an extension has already been recommended by the Institute of International Law. There is an obvious reason for that. The marginal strip of territorial waters based originally on the cannon-shot, was founded on the necessity of the riparian State to protect itself from outward attack, by providing something in the nature of an insulating zone, which very reasonably should be extended with the accrued possibility of offense due to the wider range of modern ordnance. In what refers to bays, it has been proposed as a general rule (subject to certain important exceptions) that the marginal belt of territorial waters should follow the sinuosities of the coast more or less in the manner held by the United States in the present contention, so that the marginal belt being of three miles, as in the Treaty under consideration, only such bays should be held as territorial as have an entrance not wider than six miles. (See Sir THOMAS BARCLAY'S Report to Institute of International Law, 1894, page 129, in which he also strongly recommends these limits). This is the doctrine which WESTLAKE, the eminent English writer on International Law, has summed up in very few words: "As to bays," he says, "if the entrance to one of them is not more than twice the width of the littoral sea enjoyed by the country in question,—that is, not more than six sea miles in the ordinary case, eight in that of Norway, and so forth—there is no access from the open sea to the bay except through the

territorial water of that country, and the inner part of the bay will belong to that country no matter how widely it may expand. The line drawn from shore to shore at the part where, in approaching from the open sea, the width first contracts to that mentioned, will take the place of the line of low water, and the littoral sea belonging to the State will be measured outwards from that line to the distance of three miles or more, proper to the State;" (WESTLAKE, Vol. I, page 187). But the learned author takes care to add: "But although this is the general rule it often meets with an exception in the case of bays which penetrate deep into the land and are called gulfs. Many of these are recognized by immemorial usage as territorial sea of the States into which they penetrate, notwithstanding that their entrance is wider than the general rule for bays would give as a limit for such appropriation." And he proceeds to quote as examples of this kind the Bay of Conception in Newfoundland, which he considers as wholly British, Chesapeake and Delaware Bays, which belong to the United States, and others. (*Ibid*, page 188.) The Institute of International Law, in its annual meeting of 1894, recommended a marginal belt of six miles for the general line of the coast and as a consequence established that for bays the line should be drawn up across at the nearest portion of the entrance toward the sea where the distance between the two sides do not exceed twelve miles.. But the learned association very wisely added a proviso to the effect, "that bays should be so considered and measured *unless a continuous and established usage* has sanctioned a greater breadth." Many great authorities are agreed as to that. Counsel for the United States proclaimed the right to the exclusive jurisdiction of certain bays, no matter what the width of their entrance should be, when the littoral nation has asserted its right to take it into their jurisdiction upon reasons which go always back to the doctrine of protection. LORD BLACKBURN, one of the most eminent of English judges, in delivering the opinion of the Privy Council about Conception Bay in Newfoundland, adhered to the same doctrine when he asserted the territoriality of that branch of the sea, giving as a reason for such finding "that the British Government for a long period had exercised dominion over this bay and its claim had been acquiesced in by other nations, so as to show that the bay had been for a long time occupied exclusively by Great Britain, a circumstance which, in the tribunals of any country, would be very important." "And moreover," he added, "the British Legislature has, by Acts of Parliament, declared it to be part of the British territory, and part of the country made subject to the legislation of Newfoundland." (Direct U. S. Cable Co. v. The Anglo-American Telegraph Co., Law Reports, 2 Appeal Cases, 374.)

So it may be safely asserted that a certain class of bays, which might be properly called the historical bays such as Chesapeake Bay and Delaware Bay in North America and the great estuary of the River Plate in South America, from a class distinct and apart and undoubtedly belong to the littoral country, whatever be their depth of penetration and the width of their mouths, when such country has asserted its sovereignty over them, and particular circumstances such as geographical configuration, immemorial usage and above all, the requirements of self-defense, justify such a pretension. The right of Great Britain over the bays of Conception, Chaleur and Miramichi are of this description. In what refers to the other bays, as might be termed the common, ordinary bays, indenting the coasts, over which no special claim or assertion of sovereignty has

been made, there does not seem to be any other general principle to be applied than the one resulting from the custom and usage of each individual nation as shown by their Treaties and their general and time honored practice.

The well known words of BYNKERSHOCK might be very appropriately recalled in this connection when so many and divergent opinions and authorities have been recited: "The common law of nations," he says, "can only be learnt from reason and custom. I do not deny that authority may add weight to reason, but I prefer to seek it in a constant custom of concluding treaties in one sense or another and in examples that have occurred in one country or another." (Questiones Jure Publici, Vol. 1, Cap. 3.)

It is to be borne in mind in this respect that the Tribunal has been called upon to decide as the subject matter of this controversy, the construction to be given to the fishery Treaty of 1818 between Great Britain and the United States. And so it is that from the usage and the practice of Great Britain in this and other like fisheries and from Treaties entered into by them with other nations as to fisheries, may be evolved the right interpretation to be given to the particular convention which has been submitted. In this connection the following Treaties may be recited:

Treaty between Great Britain and France. 2nd August, 1839. It reads as follows:

Article IX. The subjects of Her Britannic Majesty shall enjoy the exclusive right of fishery within the distance of three miles from low water mark along the whole extent of the coasts of the British Islands.

It is agreed that the distance of three miles fixed as the general limit for the exclusive right of fishery upon the coasts of the two countries, shall, with respect to bays, the mouths of which do not exceed ten miles in width, be measured from a straight line drawn from headland to headland.

Article X. It is agreed and understood, that the miles mentioned in the present Convention are geographical miles, whereof 60 make a degree of latitude.

(HERTSLETT'S Treaties and Conventions, Vol. V, p. 89.)

Regulations between Great Britain and France. 24th May, 1843.

Art. II. The limits, within which the general right of fishery is exclusively reserved to the subjects of the two kingdoms respectively, are fixed (with the exception of those in Granville Bay) at three miles distance from low water mark.

With respect to bays, the mouths of which do not exceed ten miles in width, the three mile distance is measured from a straight line drawn from headland to headland.

Art. III. The miles mentioned in the present regulations are geographical miles, of which 60 make a degree of latitude.

(HERTSLETT, Vol. VI, p. 416.)

Treaty between Great Britain and France. November 11, 1867.

Art. I. British fishermen shall enjoy the exclusive right of fishery within the distance of three miles from low water mark, along the whole extent of the coasts of the British Islands.

The distance of three miles fixed as the general limit for the exclusive right of fishery upon the coasts of the two countries shall, with respect to bays, the mouths of

which do not exceed ten miles in width, be measured from a straight line drawn from headland to headland.

The miles mentioned in the present convention are geographical miles whereof 60 make a degree of latitude.

(HERTSLETT'S Treaties, Vol XII, p. 1126, British Case App. p. 38.)

Great Britain and North German Confederation. British notice to fishermen by the Board of Trade. Board of Trade, November, 1868.

Her Majesty's Government and the North German Confederation having come to an agreement respecting the regulations to be observed by British fishermen fishing off the coasts of the North German Confederation, the following notice is issued for the guidance and warning of British fishermen:

1. The exclusive fishery limits of the German Empire are designated by the Imperial Government as follows: that tract of the sea which extends to a distance of three sea miles from the extremest limits which the ebb leaves dry of the German North Sea Coast of the German Islands or flats lying before it, as well as those bays and incurvations of the coast which are ten sea miles or less in breadth reckoned from the extremest points of the land and the flats, must be considered as under the territorial sovereignty of North Germany.

(HERTSLETT'S Treaties, Vol. XIV, p. 1055.)

Great Britain and German Empire. British Board of Trade, December, 1874.

(Same recital referring to an arrangement entered into between Her Britannic Majesty and the German Government.)

Then the same articles follow with the alteration of the words "German Empire" for "North Germany".

(HERTSLETT'S, Vol. XIV, p. 1058.)

Treaty between Great Britain, Belgium, Denmark, France, Germany and the *Netherlands* for regulating the police of the North Sea Fisheries, May 6, 1882.

II. Les pêcheurs nationaux jouiront du droit exclusif de pêche dans le rayon de 3 milles, à partir de la laisse de basse mer, le long de toute l'étendu des côtes de leurs pays respectifs, ainsi que des îles et des bancs qui en dépendent.

Pour les baies le rayon de 3 milles sera mesuré à partir d'une ligne droite, tirée, en travers de la baie, dans la partie la plus rapprochée de l'entrée, au premier point où l'ouverture n'excédera pas 10 milles.

(HERTSLETT'S, Vol. XV, p. 794.)

British Order in Council, October 23, 1877.

Prescribes the obligation of not concealing or effacing numbers or marks on boats, employed in fishing or dredging for purposes of sale on the coasts of England, Wales, Scotland and the Islands of Guernsey, Jersey, Alderney, Sark and Man, and not going outside:

(*a*) The distance of three miles from low water mark along the whole extent of the said coasts;

(*b*) In case of bays less than 10 miles wide the line joining the headlands of said bays.

(HERTSLETT'S Vol. XIV, p. 1032.)

To this list may be added the unratified Treaty of 1888 between Great Britain and the United States which is so familiar to the Tribunal. Such unratified Treaty contains an authoritative interpretation of the Convention of October 20, 1818, *sub-judice*: "The three marine miles mentioned in Article I of the Convention of October 20, 1818, shall be measured seaward from low-water mark; but at every bay, creek or harbor, not otherwise specifically provided for in this Treaty, such three marine miles shall be measured seaward from a straight line drawn across the bay, creek or harbour, in the part nearest the entrance at the first point where the width does not exceed ten marine miles", which is recognizing the exceptional bays as aforesaid and laying the rule for the general and common bays.

It has been suggested that the Treaty of 1818 ought not to be studied as hereabove in the light of any Treaties of a later date, but rather be referred to such British International Conventions as preceded it and clearly illustrate, according to this view, what were, at the time, the principles maintained by Great Britain as to their sovereignty over the sea and over the coast and the adjacent territorial waters. In this connection the Treaties of 1686 and 1713 with France and of 1763 with France and Spain have been recited and offered as examples also of exclusion of nations by agreement from fishery rights on the high seas. I cannot partake of such a view. The treaties of 1686, 1713 and 1763 can hardly be understood with respect to this, otherwise than as examples of the wild, obsolete claims over the common ocean which all nations have of old abandoned with the progress of an enlightened civilization. And if certain nations accepted long ago to be excluded by convention from fishing on what is to-day considered a common sea, it is precisely because it was then understood that such tracts of water, now free and open to all, were the exclusive property of a particular power, who, being the owners, admitted or excluded others from their use. The treaty of 1818 is in the meantime one of the few which mark an era in the diplomacy of the world. As a matter of fact it is the very first which commuted the rule of the cannon-shot into the three marine miles of coastal jurisdiction. And it really would appear unjustified to explain such historic document, by referring it to international agreements of a hundred and two hundred years before when the doctrine of SELDEN'S *Mare Clausum* was at its height and when the coastal waters were fixed at such distances as sixty miles, or a hundred miles, or two days' journey from the shore and the like. It seems very appropriate, on the contrary, to explain the meaning of the Treaty of 1818 by comparing it with those which immediately followed and established the same limit of coastal jurisdiction. As a general rule a treaty of a former date may be very safely construed by referring it to the provisions of like Treaties made by the same nation on the same matter at a later time. Much more so when, as occurs in the present case, the later Conventions, with no exception, starting from the same premise of the three miles coastal jurisdiction arrive always to an uniform policy and line of action in what refers to bays. As a matter of fact all authorities approach and connect the modern fishery Treaties of Great Britain and refer them to the Treaty of 1818. The second edition of KLUBER, for instance, quotes

in the same sentence the Treaties of October 20, 1818, and August 2, 1839, as fixing a distance of three miles from low water mark for coastal jurisdiction. And Fiori, the well-known Italian jurist, referring to the same marine miles of coastal jurisdiction, says: "This rule recognized as early as the Treaty of 1818 between the United States and Great Britain, and that between Great Britain and France in 1839, has again been admitted in the Treaty of 1867." (Nouveau droit International Public, Paris, 1885, Section 803.)

This is only a recognition of the permanency and the continuity of States. The Treaty of 1818 is not a separate fact unconnected with the later policy of Great Britain. Its negotiators were not parties to such International Convention and their powers disappeared as soon as they signed the document on behalf of their countries. The parties to the Treaty of 1818 were the United States and Great Britain, and what Great Britain meant in 1818 about bays and fisheries, when they for the first time fixed a marginal jurisdiction of three miles, can be very well explained by what Great Britain, the same permanent political entity, understood in 1839, 1843, 1867, 1874, 1878 and 1882, when fixing the very same zone of territorial waters. That a bay in Europe should be considered as different from a bay in America and subject to other principles of international law cannot be admitted in the face of it. What the practice of Great Britain has been outside the Treaties is very well known to the Tribunal, and the examples might be multiplied of the cases in which that nation has ordered its subordinates to apply to the bays on these fisheries the ten mile entrance rule or the six miles according to the occasion. It has been repeatedly said that such have been only relaxations of the strict right, assented to by Great Britain in order to avoid friction on certain special occasions. That may be. But it may also be asserted that such relaxations have been very many and that the constant, uniform, never contradicted, practice of concluding fishery Treaties from 1839 down to the present day, in all of which the ten miles entrance bays are recognized, is the clear sign of a policy. This policy has but very lately found a most public, solemn and unequivocal expression. "On a question asked in Parliament on the 21st of February, 1907, says Pitt Corbett, a distinguished English writer, with respect to the Moray Firth Case, it was stated that, according to the view of the Foreign Office, the Admiralty, the Colonial Office, the Board of Trade and the Board of Agriculture and Fisheries, the term "territorial waters" was deemed to include waters extending from the coast line of any part of the territory of a State to three miles from the low water mark of such coast line and the waters of all bays, the entrance to which is not more than *six miles,* and of which the entire land boundary forms part of the territory of the same state. (Pitt Cobbett Cases and Opinions on International Law, Vol. 1, p. 143.)

Is there a contradiction between these six miles and the ten miles of the treaties just referred to? Not at all. The six miles are the consequence of the three miles marginal belt of territorial waters in their coincidence from both sides at the inlets of the coast and the ten miles far from being an arbitrary measure are simply an extension, a margin given for convenience to the strict six miles with fishery purposes. Where the miles represent sixty to a degree in latitude the ten miles are besides the sixth part of the same degree. The American Government in reply to the observations made to Secretary Bayard's Memorandum of 1888, said very precisely: "The width of

ten miles was proposed not only because it had been followed in Conventions between many other powers, but also because it was deemed reasonable and just in the present case; this Government recognizing the fact that while it might have claimed a width of six miles as a basis of settlement, fishing within bays and harbours only slightly wider would be confined to areas so narrow as to render it practically valueless and almost necessarily expose the fishermen to constant danger of carrying their operations into forbidden waters." (British Case Appendix, page 416.) And Professor JOHN BASSET MOORE, a recognized authority on International law, in a communication addressed to the Institute of International Law, said very forcibly: "Since you observe that there does not appear to be any convincing reason to prefer the ten mile line in such a case to that of double three miles, I may say that there have been supposed to exist reasons both of convenience and of safety. The ten mile line has been adopted in the cases referred to as a practical rule. The transgression of an encroachment upon territorial waters by fishing vessels is generally a grave offence, involving in many instances the forfeiture of the offending vessel, and it is obvious that the narrower the space in which it is permissible to fish the more likely the offence is to be committed. In order, therefore, that fishing may be practicable and safe and not constantly attended with the risk of violating territorial waters, it has been thought to be expedient not to allow it where the extent of free waters between the three miles drawn on each side of the bay is less than four miles. This is the reason of the ten mile line. Its intention is not to hamper or restrict the right to fish, but to render its exercise practicable and safe. When fishermen fall in with a shoal of fish, the impulse to follow it is so strong as to make the possibilities of transgression very serious within narrow limits of free waters. Hence it has been deemed wiser to exclude them from space less than four miles each way from the forbidden lines. In spaces less than this operations are not only hazardous, but so circumscribed as to render them of little practical value." (Annuaire de l'Institut de Droit International, 1894, p. 146.)

So the use of the ten mile bays so constantly put into practice by Great Britain in its fishery Treaties has its root and connection with the marginal belt of three miles for the territorial waters. So much so that the Tribunal having decided not to adjudicate in this case the ten mile entrance to the bays of the Treaty of 1818, this will be the only one exception in which the ten miles of the bays do not follow as a consequence the strip of three miles of territorial waters, the historical bays and estuaries always expected.

And it is for that reason that an usage so firmly and for so long a time established ought, in my opinion, be applied to the construction of the Treaty under consideration, much more so, when custom, one of the recognized sources of law, international as well as municipal, is supported in this case by reason and by the acquiescence and the practice of many nations.

The Tribunal has decided that: "In case of bays the three miles (of the Treaty) are to be measured from a straight line drawn across the body of water at the place where it ceases to have the configuration characteristic of a bay. At all other places the three miles are to be measured following the sinuosities of the coast." But no rule is laid out or general principle evolved for the parties to know

what the nature of such configuration is or by what methods the points should be ascertained from which the bay should lose the characteristics of such. There lies the whole contention and the whole difficulty, not satisfactorily solved, to my mind, by simply recommending, without the scope of the award and as a system of procedure for resolving future contestations under Article IV of the Treaty of Arbitration, a series of lines, which practical as they may be supposed to be, cannot be adopted by the Parties without concluding a new Treaty.

These are the reasons for my dissent, which I much regret, on Question Five.

Done at the Hague, September 7, 1910.

LUIS M. DRAGO.

GOVERNMENT HOUSE, OTTAWA.

THURSDAY, the 12th day of September, 1907.

On the recommendation of the Minister of Marine and Fisheries, and under the provisions of chapter 45 of the Revised Statutes of Canada, intituled, 'The Fisheries Act,' His Excellency in Council has been pleased to make the following fishery regulations for the province of Quebec.

SECTION 5.—COD.

No person shall carry on cod fishing with seines at a less distance than one-half mile from any fishing grounds where fishing boats are anchored and fishermen are actually engaged fishing for codfish with hooks and lines.

Cod-fishing in the Gulf of St. Lawrence (Quebec).

1. Fishing by means of cod trap-nets without a license from the Minister of Marine and Fisheries is prohibited in the waters of the Gulf of St. Lawrence.

2. Cod-traps shall not be set near the mouth of any river frequented by salmon, or in such a manner, or at such places as to obstruct or interfere with the passage of salmon.

3. All cod trap-nets shall be placed at distances of not less than two hundred and fifty yards apart, and no fishing apparatus of any kind shall be set or used in or about any part of the water between cod trap-nets: Provided always that any fishery officer may direct, either in writing or orally on sight, that any greater space than two hundred and fifty yards shall be left between cod trap-nets, and any cod trap-nets or other fishing apparatus which the owner or person using the same neglects or refuses to remove in accordance with such directions shall be deemed to be illegal and liable to forfeiture, together with the fish caught therein, and the owner or person using the same shall also be subject to the fines and penalties provided by the Fisheries Act.

4. The leader of each cod trap-net shall, in every case, extend from the shore, and any fishery officer may determine in writing or orally, the length of the leader that shall be used.

5. The pots of cod trap-nets shall have meshes of at least four inches, extension measure, and the leader shall have meshes of at least six inches extension, and nothing shall be done to practically diminish the size of the meshes.

6. The fee on cod trap-nets shall be fifty cents for each fathom in length of leader, and such fee shall be payable in advance.

7. The use of 'jiggers' for the purpose of catching or killing cod is prohibited.

8. All materials, implements, nets, appliances or gear of any kind used, and all fish caught, taken, killed, bought, sold or possessed in violation of any of the above regulations shall be seized and confiscated, and any person or persons violating any of the above regulations shall also incur the other penalties provided by the Fisheries Act.

SECTION 8.—HERRING.

1*a*. Fishing by means of herring trap-nets without a license from the Minister of Marine and Fisheries is prohibited in the waters of the Gulf of St. Lawrence.

(*b*) Herring trap-nets shall not be set near the mouth of any river frequented by salmon, or in such a manner or at such places as to obstruct or interfere with the passage of salmon.

(*c*) All herring trap-nets shall be placed at distances of not less than one-eighth of a mile apart, and no fishing apparatus of any kind shall be set or used in or about any part of the water between herring trap-nets: provided always that any fishery officer may direct, either in writing or orally on sight, that any greater space than one-eighth of a mile shall be left between herring trap-nets, and any herring trap-nets or other fishing apparatus, which the owner or person using the same neglects or refuses to remove in accordance with such directions, shall be illegal and liable to forfeiture, together with the fish caught therein, and the owner or person using the same shall also be liable to the fines and penalties provided by the Fisheries Act.

(*d*) The leader of each herring trap-net shall in every case extend from the shore, and any fishery officer may determine in writing, or orally, the length of leader that shall be used.

(*e*) The fee on herring trap-nets shall be fifty cents on each fathom in length of leader, and such fee shall be payable in advance.

2. The use of seines for the capture of herring is prohibited on that portion of the north shore of the Gulf of St. Lawrence, in the county of Saguenay, extending from Kegashka to Cape Whittle.

PROTOCOL XXX.

Meeting of Tuesday, July 26, 1910.

The Tribunal assembled at 10 a.m.

The Right Honourable Sir William Snowdon Robson continued his argument on behalf of Great Britain.

At 12.—The Tribunal took a recess.

The tribunal reassembled at 2 p.m., when, pursuant to the request on the part of the Tribunal which is incorporated in the Protocol of July 19, the Right Honourable Sir William Snowdon Robson said, with regard to the particulars of objection which had been delivered by Great Britain complaining of the executive act of the United States government in sending warships to the territorial waters in question, that it would be unnecessary to trouble the Tribunal for any judgment upon that particular executive act in view of the recognized motives of the United States in taking this action and of the relations maintained by their representatives with the local authorities.

The Honourable Elihu Root presented to the members of the Tribunal printed copies of a statement of specific provisions of certain legislative and executive acts of Newfoundland and Canada called to the attention of the Tribunal by the United States for action pursuant to Articles II and III of the Special Agreement of January 27, 1909, copies of which statement were also put at the disposal of the other party.

He further said in reply to the last clause of the aforesaid request of the Tribunal which is in these words: 'If the counsel of the respective parties desire to submit to the Tribunal, either orally or in writing, any views or suggestions in regard to the subject matter of Article IV of the Special Agreement, they will be heard or received at the convenience of counsel,' that the United States have under consideration the question, whether it would be practicable to make any suggestion of any value upon that subject in advance of the award. Any rules which may be formulated by the Tribunal under Article IV would necessarily depend so largely

upon the award, that counsel for the United States have not yet seen how they could make any useful suggestions. They have it under consideration, however, and will be at any time ready to conform to any further expression on the part of the Tribunal.

The Right Honourable Sir William Snowdon Robson then said, with regard to the particulars of objection put forward by the United States, that he had not had an opportunity yet of considering them and asked that consideration of them might be delayed.

The president stated that the Tribunal had no objection to offer to that course.

The Right Honourable Sir William Snowdon Robson then continued his argument.

At 4 p.m. the Tribunal adjourned until Thursday, July 28, at 10 a.m.

Done at The Hague, July 26, 1910.

The President: LAMMASCH.
The Secretary General: MICHIELS VAN VERDUYNEN.
The Secretaries: RÖELL. CHARLES D. WHITE. GEORGE YOUNG.

STATEMENT OF SPECIFIC PROVISIONS OF CERTAIN LEGISLATIVE AND EXECUTIVE ACTS OF NEWFOUNDLAND AND CANADA CALLED TO THE ATTENTION OF THE TRIBUNAL BY THE UNITED STATES FOR ACTION PURSUANT TO ARTICLES II AND III OF THE SPECIAL AGREEMENT OF JANUARY 27, 1909.

I. Pursuant to the provisions of Article II of the Special Agreement of January 27, 1909, the United States calls the attention of the Tribunal to certain provisions of the acts specified in the note of June 2, 1909, from the Secretary of State of the United States to the British Ambassador at Washington (U. S. C. C. Appendix, p. 5), which provisions are claimed by the United States to be inconsistent with the true interpretation of the Treaty of 1818, if applied to American Fishermen on the treaty coasts, because even under the contention of Great Britain, as set out in Question One, they are not:

(*a*) Appropriate or necessary for the protection and preservation of such fisheries and the exercise of the rights of British subjects therein and of the liberty which by the said Article I the inhabitants of the United States have therein in common with British subjects;

(*b*) Desirable on grounds of public order and morals;

(*c*) Equitable and fair as between local fishermen and the inhabitants of the United States exercising the said treaty liberty and not so framed as to give unfairly an advantage to the former over the latter class,

and also because under the contention of the United States as set out in such Question they are not:

(*a*) Appropriate and necessary for the protection and preservation of the common rights in such fisheries and the exercise thereof; and

(*b*) Reasonable in themselves and fair as between local fishermen and fishermen coming from the United States, and so framed as not to give an advantage to the former over the latter class.

The specific provisions herein called to the attention of the Tribunal are set out in the First and Second Schedules hereto annexed.

II. Pursuant to Article II of the Special Agreement of January 27, 1909, the United States calls upon the Tribunal to express in its award its opinion upon the aforesaid provisions so specified and called to its attention, and to point out in what respects they are inconsistent with the principles laid down in the award in reply to Question One.

III. If the award of the Tribunal be in favour of the British contention as stated in Question One, the United States will ask that the Tribunal refer to a Commission of expert specialists for a report thereon, in accordance with Article III of the Special Agreement aforesaid, such of the specific provisions set forth in the First and Second Schedules as require an examination of the practical effect thereof in relation to the conditions surrounding the exercise of the liberty of fishery or require expert information about the fisheries themselves, for the determination of their appropriateness, necessity, reasonableness and fairness as defined in Question One.

IV. The United States objects also to the provisions set out in the First and Second Schedules, if applied to American fishermen on the treaty coasts, because their appropriateness, necessity, reasonableness, and fairness, within the meaning of subdivision (*c*) of the contention of the United States, under Question One, have not been determined between the United States and Great Britain by common accord, and the United States has not concurred in their enforcement.

Concurrence in the enforcement of regulations concerns particularly the manner of their enforcement so as to secure impartiality in administration, and to insure their observance by Newfoundland, Canadian and British fishermen equally with American fishermen.

There are many other provisions to which, if applied to American fishermen, the same objection on the part of the United States applies, but it has not been deemed necessary to enumerate them because it is assumed that the award upon Question One will dispose of this ground of objection one way or another.

It is not to be inferred that the Government of the United States would refuse to subject American fishermen on the treaty coasts to such regulations, provided that it is offered an opportunity to have a voice regarding them.

V. Many other provisions of the acts specified in the aforesaid note of June 2, 1909, are deemed by the United States to be beyond the competency of Canada, Newfoundland or Great Britain to enforce against American fishermen without the consent of the United States. As no instance has occurred of the enforcement thereof against the fishermen of the United States, no question has yet arisen regarding them. The United States has not been consulted regarding them or advised of the reasons for such regulations and is not called upon to determine whether such regulations would be reasonable, necessary or appropriate if applied to American fishermen on the treaty coasts. The United States, therefore, considers that any question under these regulations will be a Question hereafter arising and subject to the provisions of Article IV of the Special Agreement.

VI. The United States assumes that the numerous provisions in the statutes specified in the aforesaid note of June 2, 1909, which relate to customs regulations and to the imposition of light, harbor and other dues referred to in Questions Three and Four will be disposed of by the award upon those Questions, but if not so disposed of the United States considers that it will be entitled to have the opinion of the Tribunal thereon specifically.

The specific provisions to which the United States calls the attention of the Tribunal in this connection are set out in the Third Schedule hereto annexed.

First Schedule.—Specific provisions in respect of (1) the hours, days or seasons when fish may be taken on the treaty coasts; and (2) the methods, means and implements to be used in the taking of fish or in the carrying on of fishing operations on the treaty coasts, which specific provisions the United States claims are not appropriate, necessary, reasonable and fair, as defined in Question One, if applied to American fishermen on the treaty coasts.

Newfoundland.—Consolidated Statutes, 1892, Chapter 124.

1. No person shall haul, catch or take herrings by or in a seine or other such contrivance, on or near any part of the coast of this colony or its dependencies, or in any of the bays, harbours, or other places therein, at any time between the twentieth day of October in any year and the eighteenth day of April in the following year, or at any time use a seine or other contrivance for the catching or taking of herring, except by way of shooting and forthwith hauling the same, under a penalty not exceeding two hundred dollars: Provided, that nothing herein contained shall prevent the taking of herring by nets set in the usual and customary manner, and not used for in-barring or enclosing herrings in a cove, inlet or other place. This section shall not apply to the coast of Labrador.

2. The owners, masters, and other persons managing or controlling vessels conveying herrings in bulk, between the twentieth day of October in any year and the eighteenth day of April in the following year, shall be deemed to have hauled, caught or taken such herrings contrary to the provisions of the preceding section of this chapter, unless such owner, master or other person aforesaid shall make proof to the contrary.

5. Notwithstanding any of the provisions of this chapter it shall be lawful for the owner of any vessel owned and registered in this colony, which shall be fully fitted out, supplied and ready to prosecute the Bank fishery, and shall have obtained a customs clearance for the said fishery, to haul, catch and take herring at any time and by any means, except by in-barring and enclosing such herring in a cove, inlet or other place, to an extent not exceeding sixty barrels for any one voyage, to be used as bait in prosecuting the said Bank fishery in the said vessel.

12. No person shall, at any time, haul, catch or take squids within, or by means of any seine, bunt, or other such contrivances.

13. No person shall, between the hours of twelve o'clock on Saturday night and twelve o'clock on Sunday night take or catch in any manner whatever or by any contrivance, whatsoever, any herring, caplin, squid, or any other bait fish, or set or put out any contrivance whatsoever, for the purpose of taking or catching herring, caplin, squid or other bait fish.

23. After two years from the ninth day of May, 1888, it shall be unlawful for any person to use any cod-trap, for the purpose of catching or taking any codfish on the coast of this colony or its dependencies.

Act of March 3, 1898.—(61 Vict., Cap. 3.)

9. The Governor in Council may, from time to time, make regulations for the better management and regulation of the sea, coast, and inland fisheries, to prevent or remedy the obstruction and pollution of streams, to regulate and prevent fishing, to prohibit the destruction of fish, and to forbid fishing except under authority of leases or licenses; which regulations shall have the same force and effect as if herein enacted, and may fix such modes, times or places as are deemed by the Governor in Council adapted to different localities, or otherwise expedient.

FISHING RULES AND REGULATIONS, 1908.

Lobster Fishery.

9. (As amended.) No person shall spear or hook lobsters or use hand traps in the waters of this colony, nor shall any person purchase, can, or in any way use or export lobsters so taken.

Herring Fishery.

19. Herring may be caught in nets or hauled in seines, and other contrivances, under the conditions and in the manner prescribed by these rules, and not otherwise.

20. * * * * * * * * * No purse seine shall be used in the waters of Newfoundland.

21. Unless otherwise provided, no person shall use a seine for the purpose of catching herring in any of the waters of Newfoundland, except exclusively for bait and for immediate use for that purpose in the fisheries, between the 1st day of April and the 1st day of August in any year.

23. No person shall catch or take herring in a seine between the hours of twelve o'clock on Saturday night and twelve o'clock on Sunday night, under a penalty not exceeding one hundred dollars.

25. No herring seine or herring trap shall be used for the purpose of taking herring on that part of the coast from Cape La Hune on the west coast, and running by the west and north through the Straits of Belle Isle to Cape John.

Cod Fishery.

51. Any person using a herring seine or caplin seine on the coast of this island to take or haul codfish shall be guilty of a violation of these rules.

62. No bultows shall be used on the fishing grounds from Cape La Hune to Cape Ray, both inclusive, in the district of Burgeo and La Poile.

63. (As amended.) No person shall place in the waters of the Labrador coast, any cod-trap, or cod-trap leader or mooring, nor shall it be lawful for any person to put out any contrivance whatsoever for the purpose of securing a trap-berth on that portion of the coast: from Blanc Sablon to Gull island, near the northeast point of Square island, before noon of the first day of June; nor from Gull island to a line drawn east and west (magnetic) from Collingham island in Table bay, before noon of the fifth day of June; nor from Collingham island to Cape Porcupine before noon of the tenth day of June; nor from Cape Porcupine to Red Point on Byron's island before noon of the fifteenth day of June; nor from Red Point to a line drawn east and west from a point two miles northeast of East Turnavik before noon of the twentieth day of June; nor from Turnavik to a line drawn east and west from Thumb island near Cape Harrigan before noon of the fifth day of July; nor from Thumb island north, before noon of the tenth day of July in any year: Provided that when any of the above dates fall on Sunday, it shall be lawful to set the cod-trap or cod-trap leader, at or after noon on the day previous (Saturday). If any person shall set a cod-trap leader on the fishing grounds after the above dates, in order to secure the place for the setting of his cod-trap, and such person shall fail to set such cod-trap within four days after setting out such leader, it shall be lawful for any other person who may desire to secure the place where such leader was so set out for the setting of his (the latter's) cod-trap, to remove such leader, and then set his own leader or cod-trap in place thereof, and the latter shall be subject also to the provisions of this section as against any other who may so desire to set a leader of cod-trap: Provided that if any person after setting his cod-trap leader shall be bona fide prevented by stress of weather or ice from setting his cod-trap within the said four days, such period shall be computed from the time at which the weather or ice shall permit of his setting such cod-trap.

No bultows or trawls shall be used before the fifteenth day of August in any year on the fishing grounds within three miles of the coast of Labrador or islands on said coast between a line to be drawn southeast from Cape Charles and a line drawn from east and west from White islands in Domino Run.

No cod-trap shall be set in Blackguard bay, Labrador, except from the mainland or islands and rocks above water, inside a line to be drawn from Curlew point, thence to Long Island head to the northwest end of the western Hare island.

64. The use of cod-traps is entirely prohibited in Port-au-Port bay; that is to say, in East and West bay, and extending from Long point (or the bar) to Bear head, north of Serpentine river, in the district of St. George.

(Added.) The use of trawls or bultows is prohibited on the fishing grounds inside one mile from the shore in Pinnaire bay in the Straits of Belle Isle.

General.

77. * * * * * * * * * No person shall, at any time, in the waters of Newfoundland, haul, catch or take squid within or by means of any seine, bunt, or other such contrivance.

78. No person shall between the hours of twelve o'clock on Saturday and twelve o'clock on Sunday night, take or catch in any manner whatsoever, any herring caplin, squid, or any other bait fish, or set or put out any contrivance whatsoever, for the purpose of taking or catching herring, caplin, squid, or other bait fish. Caplin may be taken for fertilizing purposes by farmers or their employees during the usual season.

79. No person shall dig, take, buy, sell, ship or put, or assist in shipping or putting on board any boat, ship or vessel, or carry in or on board of any ship, vessel or boat, any clams, mussels, scallops, cock-and-hens, or other shell fish, for the purpose of exportation, or for any other purpose, except that of being bona fide for bait for the fisheries of this colony, or of the same as prosecuted therefrom, or under a foreign fishing license in accordance with the rules thereon: Provided that any such shell fish may be taken for local food purposes and for boiling and canning.

CANADA.—REVISED STATUTES, 1906, CHAPTER 45.

Whale Fishing.—9.

No one shall at any time engage in the manufacture from whales of oil or other commercial products, and no vessel or boat shall be employed in the whale fishery, except under license from the minister.

6. The fee charged on each such license shall be eight hundred dollars for the first year, one thousand dollars for the second year, and twelve hundred dollars for the third and each ensuing year, and the fee on all subsequent licenses for the same factory shall be twelve hundred dollars; such fee shall be payable to the Minister of Marine and Fisheries, first on the issue of the license, and on the first day of July in each year thereafter: Provided, that the Governor in Council, after the first two years, may exact, in lieu of such fee, a sum equal to two per centum of the gross earnings of each factory, which shall be payable as aforesaid.

9. Boats known as tow-boats shall not be used by any one in the prosecution of the whaling industry, and no vessel other than the vessel from which the whales have been captured or killed, shall, by any method or contrivance, bring or tow into port any whale for manufacture or other purpose; but nothing in this section shall prevent any one, other than the holder of a license, or his employees, from towing any dead whale to land, and having it manufactured or otherwise disposing of it in accordance with the provisions of this section.

General Prohibitions.

47. No one shall fish for, take, catch or kill fish in any water, or along any beach, or within any fishery limits, described in any lease or license, or place, use, draw or set therein any fishing gear or apparatus, except by permission of the occupant under such lease or license for the time being, or shall disturb or injure any fishery: Provided that the occupation of any fishing station or waters so leased or licensed for the express purpose of net fishing shall not interfere with the taking of bait used for cod-fishing, or prevent angling for other purposes than those of trade and commerce.

(7) No one shall use a bag-net, trap-net or fish-pound, except under a special license, granted for capturing deep-sea fish other than salmon.

(14) From the time of low water nearest six of the clock in the afternoon of every Saturday, to the time of low water nearest six of the clock in the forenoon of every Monday, in tidal waters, and from six of the clock in the afternoon of every Saturday to six of the clock in the forenoon of the following Monday, in non-tidal waters, all sedentary fishing stations and weirs, and all pound and trap-nets, seines, gill-nets and other apparatus used for catching fish, whether under license or not, shall be so raised, closed or adapted as to admit of the free passage of fish through, by or out of such apparatus; and during such close time no one shall catch fish in such apparatus, whether under license or not.

48. No one shall use purse seines for the capture of fish in any of the waters of Canada: Provided, that the minister may issue special fishery licenses for the use of purse seines in certain waters in the province of British Columbia specified in the said licenses. 3 E. VII, c. 23, s. 2.

Order in Council, September 12, 1907, Promulgating Fishery Regulations.

GENERAL FISHERY REGULATIONS.

Section 5.—Lobster Fishery..

13. No one shall prepare to fish for lobsters by placing or setting any buoys, lines or other gear used in connection with such fishing, before six o'clock in the morning of the day on which it is lawful to take or catch lobsters in the locality affected.

Section 7.—Quahaug or Hard-shell Clams.

1. No one shall fish for or catch hard-shell clams or quahaugs without a license from the Minister of Marine and Fisheries. The fee on each such license shall be one dollar per season.

SPECIAL FISHERY REGULATIONS. PROVINCE OF QUEBEC.

Section 5.—Cod.

No person shall carry on cod-fishing with seines at a less distance than one-half mile from any fishing grounds where fishing boats are anchored, and fishermen are actually engaged in fishing for codfish with hooks and lines.

Cod-fishing in the Gulf of St. Lawrence (Quebec).

1. Fishing by means of cod trap-nets without a license from the Minister of Marine and Fisheries is prohibited in the waters of the Gulf of St. Lawrence.

4. The leader of each cod trap-net shall, in every case, extend from the shore, and any fishery officer may determine in writing, or orally, the length of the leader that shall be used.

6. The fee on cod trap-nets shall be fifty cents for each fathom in length of leader, and such fee shall be payable in advance.

Section 8.—Herring.

1. (*a*) Fishing by means of herring trap-nets without a license from the Minister of Marine and Fisheries is prohibited in the waters of the Gulf of St. Lawrence.

(*d*) The leader of each herring trap-net shall in every case extend from the shore, and any fishery officer may determine, in writing or orally, the length of leader that shall be used.

(*e*) The fee on herring trap-nets shall be fifty cents on each fathom in length of leader, and such fee shall be payable in advance.

Section 9.—Leases and Licenses.

Fishing by means of nets or other apparatus without leases or licenses from the Minister of Marine and Fisheries, under the provisions of the 'Fisheries Act' and section 8 thereof, or from some duly authorized officer of the government of the province of Quebec, is prohibited in the province of Quebec.

Section 18.—Salmon.

2. From the time of low water nearest six o'clock in the afternoon of every Saturday to the time of low water nearest six o'clock in the forenoon of every Monday no one shall fish for, catch or kill salmon in tidal waters.

Second Schedule.—Specific provisions in respect of other matters relating to fishing of a similar character to those mentioned in subdivisions (1) and (2) of Question One, which specific provisions the United States claims are not appropriate, necessary, reasonable and fair, as defined in Question One, if applied to American fishermen on the treaty coasts.

Newfoundland.—Act of June 15, 1905.

1. Any justice of the peace, sub-collector, preventive officer, fishery warden or constable, may go on board any foreign fishing vessel being within any port on the coasts of this island, or hovering in British waters within three marine miles of any of the coasts, bays, creeks or harbours in this island, and may bring such foreign vessel into port, may search her cargo and may examine the master upon oath touching the cargo and voyage; and the master or person in command shall answer truly such questions as shall be put to him under a penalty not exceeding five hundred dollars. And if such foreign fishing vessel has on board any herring, caplin, squid, or other bait fishes, ice, lines, seines, or other outfits or supplies for the fishery, purchased within any port on the coasts of this island or within the distance of three marine miles from any of the coasts, bays, creeks or harbours of this island, or if the master of the said vessel shall have engaged or attempted to engage, any person to form part of the crew of the said vessel in any port or on any part of the coasts of this island, or has entered such waters for any purpose not permitted by treaty or convention for the time being in force, such vessel and the tackle, rigging, apparel, furniture, stores and cargo thereof shall be forfeited.

3. In any prosecution under this Act, the presence on board any foreign fishing vessel in any port of this island, or within British waters aforesaid, of any caplin, squid, or other bait fishes, of ice, lines, seines, or other outfits or supplies for the fishery, shall be prima facie evidence of the purchase of the said bait fishes and supplies and outfits within such port or waters.

FISHING RULES AND REGULATIONS, 1908.

Herring Fishery.

39. No person shall place herring on a scaffold in warm weather.

CANADA.—REVISED STATUTES, 1906, CHAPTER 45.

Powers of Fishery Officers and other Justices.

69.—Every subject of His Majesty may use vacant public property, such as by law is common and accessory to public rights of fishery and navigation, for the purposes of landing, salting, curing and drying fish, and may cut wood thereon for such purposes, and no other person shall occupy the same station unless it has been abandoned by the first occupant for twelve consecutive months; and at the expiration of that period any new occupier shall pay the value of flakes and stages and other property thereon, of which he takes possession, or the buildings and improvements may be removed by the original owner.

REVISED STATUTES, 1906, CHAPTER 47.

Boarding and Search.

5. Any commissioned officer of His Majesty's navy, serving on board any vessel of His Majesty's navy cruising and being in the waters of Canada for the purpose of affording protection to His Majesty's subjects engaged in the fisheries, or any commissioned officer of His Majesty's navy, fishery officer or stipendiary magistrate, on board of any vessel belonging to or in the service of the government of Canada, and employed in the service of protecting the fisheries, or any officer of the customs of Canada, sheriff, justice of the peace or other person duly commissioned for that purpose may go on board of any ship, vessel or boat within any harbour in Canada, or hovering in British waters within three marine miles of any of the coasts, bays, creeks, or harbours in Canada, or in or upon the inland waters of Canada, and stay on board so long as she remains within such harbour or distance. R. S., c. 94, s. 2.

6. Any one of the officers or persons hereinbefore mentioned, may bring any ship, vessel or boat, being within any harbour in Canada, or hovering in British waters, within three marine miles of any of the coasts, bays, creeks or harbours in Canada, or in or upon the inland waters of Canada, into port, and search her cargo, and may also examine the master or person in command upon oath touching the cargo and voyage. R. S., c. 94, s. 3 and 20.

Order in Council, September 12, 1907, Promulgating Fishery Regulations.

GENERAL FISHERY REGULATIONS.

Section 5.—Lobster Fishery.

12. No one shall, for canning purposes, boil lobsters on board any ship, vessel, boat or floating structure of any description whatever, except under special license from the Minister of Marine and Fisheries.

THIRD SCHEDULE.—Specific provisions in respect of customs regulations and light, harbour and other dues referred to in Questions Three and Four which are claimed by the United States to be inconsistent with the true interpretation of the treaty if applied to American fishermen and executed against them in such a manner as to restrict them in the free exercise of their treaty liberties and privileges.

NEWFOUNDLAND.—ACT OF MARCH 30, 1898.

Report and Entry Inwards.

22. The master of every vessel coming from any port or place out of this colony, or coastwise, and entering any port in this colony, whether laden or in ballast, shall go without delay, when such vessel is anchored or moored, to the custom house for the port or place of entry where he arrives, and there make a report in writing to the collector or other proper officer, of the arrival and voyage of such vessel, stating her name, country and tonnage, the port of registry, the name of the master, the country of the owners, the number and names of the passengers, if any, the number of the crew, and whether the vessel is laden or in ballast, and if laden, the marks and numbers of every package and parcel of goods on board, and of the sorts of goods and the different kinds of each sort contained therein, and where the same was laden, and the particulars of any goods stowed loose, and where and to whom consigned, and where any, and what goods, if any, have been laden or unladen, or bulk has been broken during the voyage, what part of the cargo and the number and names of the passengers which are intended to be landed at that port, and what and whom at any other port in this colony, and what part of the cargo, if any, is intended to be exported in the same vessel, and what surplus stores remain on board, as far as any of such particulars are or can be known to him.

Entry Outwards.

96. Except as provided by section 112, the master of every vessel bound outwards from any port in this colony to any port or place out of this colony, or on any voyage to any place within or without the limits of this colony, or coastwise, shall deliver to the collector or other proper officer a report in writing outwards under his hand, of the destination of such vessel, stating her name, country, and tonnage, the port of registry, the name of the master, the country of the owners and the number of the crew; * * * *

97. The master of every vessel, whether in ballast or laden shall, before departure, come before the collector, or other proper officer, and answer all such questions concerning the vessel, and the cargo, if any, and the crew, and the voyage, as are demanded of him by such officer, and if required, shall make his answers or any of them part of the declaration made under his hand.

* * * * *

98. If any vessel departs from any port or place in this colony without a clearance, or if the master delivers a false content, or does not truly answer the questions demanded of him, * * * * the master shall incur a penalty of four hundred dollars; and the vessel shall be detained in any port in this colony until the said penalty is paid; and unless payment is made within twenty days, such vessel may, after the expiration of such delay, be sold to pay such penalty, and any expenses incurred in detaining, keeping and selling such vessel.

112. Entry outwards of any vessel bound from the coasts of Labrador to any place out of this colony, shall be made according to sections ninety-six and ninety-seven of this Act: Provided that should the master of any vessel by reason of the absence of the collector or by reason of his inability to reach the collector, be pre-

vented from clearing his vessel in conformity with the provisions of the abovequoted sections of this Act, the owners, shippers or consignors of the cargo on board such vessel shall deliver to the collector at St. John's at the earliest opportunity, an entry, in the form required by section one hundred of this Act, of such parts of the cargo as have been shipped by them respectively, and in case of such persons neglecting or refusing to deliver such entry to the collector at St. John's, they shall incur a penalty of two hundred dollars.

Protection of the Revenue.

118. If any vessel is found hovering in British waters, within one league of the coasts or shores of this colony, any officer of customs may go on board and enter into such vessel, and stay on board such vessel while she remains within the limits of this colony or within one league thereof; and if any such vessel is bound elsewhere, and so continues hovering for the space of twenty-four hours after the master has been by such officer of customs required to depart, such officer may bring the vessel into port, and examine her cargo, and if any goods, the importation of which into this colony is prohibited, are on board such vessel, with her apparel, rigging, tackle, furniture, stores and cargo, shall be seized and forfeited; and if the master or person in charge refuses to comply with the lawful directions of such officer, or does not truly answer such questions as are put to him respecting such ship or vessel or her cargo, he shall incur a penalty of four hundred dollars.

121. If any vessel enters any place other than a port of entry, unless from stress of weather or other unavoidable cause, any dutiable goods on board thereof, except those of an innocent owner, shall be seized and forfeited, and the vessel, if of less value than eight hundred dollars, may be seized, and the master or person in charge thereof shall incur a penalty not exceeding four hundred dollars, and the vessel may be detained until such penalty is paid; and unless payment is made within thirty days, such vessel, may, after the expiration of such delay, be sold to pay such penalty and any expenses incurred in making the seizure and in the safe keeping and sale of such vessel.

122. If any vessel worth more than eight hundred dollars, enters any place other than a port of entry, unless from stress of weather or other unavoidable cause, any dutiable goods on board thereof except those of an innocent owner, shall be seized and forfeited, and the vessel may be seized, and the master or person in charge thereof shall incur a penalty of eight hundred dollars; and the vessel may be detained until such penalty is paid; and unless payment is made within thirty days, such vessel may, after the expiration of such delay, be sold to pay such penalty and any expenses incurred in making the seizure in the safe keeping and sale of such vessel.

Act of July, 19, 1899.

AN ACT RELATING TO LIGHT DUES.

1. Upon every merchant vessel or ship entering any port or place within this colony, other than coasting, sealing or fishing vessels owned and registered in this colony, there shall be levied and paid once in every calendar year (but not oftener than once in three months) the following duty or rate per registered ton, that is to say: At the rate of twenty-four cents per ton up to and including 500 tons, and twelve cents per ton additional on every ton over 500 up to and including 1,000 tons, and six cents per ton additional on every ton over 1,000 tons up to and including 2,000 tons. On no ship or vessel shall a greater rate than two hundred and forty dollars be levied in any one calendar year or oftener than once in three months.

9. Any officer duly authorized by law to collect rates or dues under this Act may go on board any vessel, being within three miles of any part of the coasts of this

colony, and stay on board while she remains in port or within such distance, and may, in addition to the powers and procedure prescribed in section 5 of this Act, bring into port and detain such vessel until payment or satisfaction of all light dues by law recoverable.

CANADA.—REVISED STATUTES, 1906, CHAPTER 48.

16. The master of every vessel coming from any port or place out of Canada, or coastwise, and entering any port in Canada, whether laden or in ballast, shall go without delay, when such vessel is anchored or moored, to the custom house for the port or place of entry where he arrives, and there make a report in writing to the collector or other proper officer, of the arrival and voyage of such vessel.

96. The master of every vessel bound outwards from any port in Canada to any port or place out of Canada, or on any voyage to any place within or without the limits of Canada, coastwise or by inland navigation, shall deliver to the collector or other proper officer a report outwards under his hand of the destination of such vessel, stating her name, country and tonnage, the port of registry, the name of the master, the country of the owners and the number of the crew.

98. The master of every vessel whether in ballast, or laden, shall, before departure, come before the collector or other proper officer, and answer all such questions concerning the vessel, and the cargo, if any, and the crew and the voyage, as are demanded of him by such officer, and, if required, shall make his answers or any of them part of the declaration made under his hand.

REVISED STATUTES, 1906, CHAPTER 113.

Pilotage Dues.

430. The Governor in Council may, from time to time, make the payment of pilotage dues compulsory or not compulsory, within the limits of any pilotage district fixed by the Governor in Council under this part. R. S., c. 80, s. 13.

471. No customs officer shall grant a clearance to any ship liable to pilotage dues at any port in Canada, where there is a duly constituted pilotage authority which collects the pilotage dues and at which pilotage dues are payable, until there has been produced to such customs officer a certificate from the pilotage authority of the district or some officer or person authorized by such authority to grant the same, that all pilotage dues in respect of such ship have been paid or settled for to the satisfaction of such authority. R. S., c. 80, s. 53.

Compulsory Payment of Pilotage Dues and Exemptions.

475. Every ship which navigates within either of the pilotage districts of Quebec, Montreal, Halifax or St. John, or within any pilotage district within the limits of which the payment of pilotage dues is, for the time being, made compulsory by order in council under this part shall pay pilotage dues, unless,—

(*a*) such ship is on her inward voyage and no licensed pilot offers his services as a pilot; or

(*b*) she is exempted under the provisions of this part, from payment of such dues. R. S., c. 80, s. 58.

476. If such ship is on her outward voyage and the owner or master of such ship does not employ a pilot or give his ship into the charge of a pilot, such dues shall be paid, if in the pilotage district of Quebec, to the Quebec Pilots Corporation, and, if in any other pilotage district to the pilotage authority of such district. R. S., c. 80, s. 58.

TARIFF RELATIONS

BETWEEN

THE UNITED STATES AND THE DOMINION OF CANADA

CORRESPONDENCE AND STATEMENTS

1911

OTTAWA
GOVERNMENT PRINTING BUREAU
1911

TARIFF RELATIONS

BETWEEN

THE UNITED STATES AND THE DOMINION OF CANADA

CORRESPONDENCE RESPECTING NEGOTIATIONS

1911

WASHINGTON, January 21, 1911.

DEAR MR. SECRETARY,—

1. The negotiations initiated by the President several months ago through your communication to His Excellency the British Ambassador respecting a reciprocal tariff arrangement between the United States and Canada, and since carried on directly between representatives of the Governments of the two countries, have now, we are happy to say, reached a stage which gives reasonable assurance of a conclusion satisfactory to both countries.

2. We desire to set forth what we understand to be the contemplated arrangement, and to ask you to confirm it.

3. It is agreed that the desired tariff changes shall not take the formal shape of a treaty, but that the Governments of the two countries will use their utmost efforts to bring about such changes by concurrent legislation at Washington and Ottawa.

4. The Governments of the two countries having made this agreement from the conviction that, if confirmed by the necessary legislative authorities, it will benefit the people on both sides of the border line, we may reasonably hope and expect that the arrangement, if so confirmed, will remain in operation for a considerable period. Only this expectation on the part of both Governments would justify the time and labour that have been employed in the maturing of the proposed measures. Nevertheless, it is distinctly understood that we do not attempt to bind for the future the action of the United States Congress or the Parliament of Canada, but that each of these authorities shall be absolutely free to make any change of tariff policy or of any other matter covered by the present arrangement that may be deemed expedient. We look for the continuance of the arrangement, not because either party is bound to it, but because of our conviction that the more liberal trade policy thus to be established will be viewed by the people of the United States and Canada as one which will strengthen the friendly relations now happily prevailing and promote the commercial interests of both countries.

5. As respects a considerable list of articles produced in both countries, we have been able to agree that they shall be reciprocally free. A list of the articles to be admitted free of duty into the United States when imported from Canada, and into Canada when imported from the United States, is set forth in Schedule A.

6. As respects another group of articles, we have been able to agree upon common rates of duty to be applied to such articles when imported into the United States from Canada or into Canada from the United States. A list of these articles, with the rates of duty, is set forth in Schedule B.

13098—1½

7. In a few instances it has been found that the adoption of a common rate will be inconvenient and therefore exceptions have to be made.

8. Schedule C specifies articles upon which the United States will levy the rates therein set forth when such articles are imported from Canada.

9. Schedule D specifies articles upon which Canada will levy the rates therein set forth when such articles are imported from the United States.

10. With respect to the discussions that have taken place concerning the duties upon the several grades of pulp, printing paper, &c.—mechanically ground wood pulp, chemical wood pulp, bleached and unbleached, news printing paper and other printing paper and board made from wood pulp, of the value not exceeding four cents per pound at the place of shipment—we note that you desire to provide that such articles from Canada shall be made free of duty in the United States only upon certain conditions respecting the shipment of pulp wood from Canada. It is necessary that we should point out that this is a matter in which we are not in a position to make any agreement. The restrictions at present existing in Canada are of a Provincial character. They have been adopted by several of the Provinces with regard to what are believed to be Provincial interests. We have neither the right nor the desire to interfere with the Provincial authorities in the free exercise of their constitutional powers in the administration of their public lands. The provisions you are proposing to make respecting the conditions upon which these classes of pulp and paper may be imported into the United States free of duty must necessarily be for the present inoperative. Whether the Provincial Governments will desire to in any way modify their regulations with a view to securing the free admission of pulp and paper from their Provinces into the market of the United States, must be a question for the Provincial authorities to decide. In the meantime, the present duties on pulp and paper imported from the United States into Canada will remain. Whenever pulp and paper of the classes already mentioned are admitted into the United States free of duty from all parts of Canada, then similar articles, when imported from the United States, shall be admitted into Canada free of duty.

11. The tariff changes proposed might not alone be sufficient to fully bring about the more favourable conditions which both parties desire. It is conceivable that Customs regulations which are deemed essential in some cases might operate unfavourably upon the trade between the United States and Canada, and that such regulations, if made without due regard to the special conditions of the two countries, might to some extent defeat the good purpose of the present arrangement. It is agreed that the utmost care shall be taken by both Governments to see that only such Customs regulations are adopted as are reasonably necessary for the protection of the Treasury against fraud; that no regulation shall be made or maintained which unreasonably hampers the more liberal exchange of commodities now proposed; that representations on either side as to the unfavourable operation of any regulation will receive from the other all due consideration, with the earnest purpose of removing any just cause of complaint; and that, if any further legislation is found necessary to enable either Government to carry out the purposes of this provision, such legislation will be sought from Congress or Parliament as the case may be.

12. The Government of Canada agrees that, until otherwise determined by them, the licenses hitherto issued to United States fishing vessels under the provisions of section 3 of chapter 47 of the Revised Statutes of Canada, granting to such vessels certain privileges on the Atlantic coast of Canada shall continue to be issued and that the fee to be paid to the Government of Canada for such license by the owner or commander of any such United States vessel shall hereafter be one dollar per annum.

13. It is understood that upon a day and hour to be agreed upon between the two Governments, the President of the United States will communicate to Congress the conclusions now reached and recommend the adoption of such legislation as may be necessary on the part of the United States to give effect to the proposed arrangement.

14. It is understood that simultaneously with the sending of such communication to the United States Congress by the President, the Canadian Government will communicate to the Parliament of Canada the conclusions now reached, and will thereupon take the necessary steps to procure such legislation as is required to give effect to the proposed arrangement.

15. Such legislation on the part of the United States may contain a provision that it shall not come into operation until the United States Government are assured that corresponding legislation has been or will be passed by the parliament of Canada; and in like manner the legislation on the part of Canada may contain a provision that it shall not come into operation until the Government of Canada are assured that corresponding legislation has been passed or will be passed by the Congress of the United States.

Yours faithfully,

(Sgd.) W. S. FIELDING.
WM. PATERSON.

The Honourable P. C. Knox,
Secretary of State,
Washington, D.C.

DEPARTMENT OF STATE, WASHINGTON,
January 21, 1911.

The Hon. W. S. FIELDING, and
The Hon. WILLIAM PATERSON
Washington.

GENTLEMEN,—I have the honour to acknowledge the receipt of your communication of this date in relation to the negotiations initiated by the President several months ago for a reciprocal trade arrangement between the United States and Canada, in which you set forth and ask me to confirm your understanding of the results of our recent conferences in continuation of these negotiations.

I take great pleasure in replying that your statement of the proposed arrangement is entirely in accord with my understanding of it.

It is a matter of some regret on our part that we have been unable to adjust our differences on the subject of wood pulp, pulp wood and print paper. We recognize the difficulties to which you refer growing out of the nature of the relations between the Dominion and Provincial Governments, and for the present we must be content with the conditional arrangement which has been proposed in Schedule A attached to your letter.

I fully appreciate the importance, to which you call attention, of not permitting a too rigid customs administration to interfere with the successful operation of our agreement, if it is approved by the Congress of the United States and the Parliament of Canada, and I desire to confirm your statement of our understanding on this point. I am satisfied that the spirit evinced on both sides gives assurance that every effort will be made to secure the full measure of benefit which is contemplated in entering into this arrangement.

The assurance that you give that the Dominion Government proposes to require only a nominal fee from the fishing vessels of the United States for the privileges in Canadian waters for which heretofore a charge of $1.50 per ton for each vessel has been required is most gratifying.

I heartily concur in your statement of the purposes inspiring the negotiations and in the views expressed by you as to the mutual benefits to be derived by both countries in the event our work is confirmed, and I take this opportunity to assure you, on behalf of the President, of his appreciation of the cordial spirit in which you have met us in these negotiations.

I have the honor to be, gentlemen,
Your obedient servant,
(Signed) P. C. KNOX.

SCHEDULE A.

Articles the growth, product or manufacture of the United States to be admitted into Canada free of duty when imported from the United States, and reciprocally articles the growth, product or manufacture of Canada to be admitted into the United States free of duty when imported from Canada:—

Live animals, viz.: Cattle, horses and mules, swine, sheep, lambs, and all other live animals.

Poultry, dead or alive.

Wheat, rye, oats, barley, and buckwheat; dried pease and beans, edible.

Corn, sweet corn, or maize (except into Canada for distillation).

Hay, straw, and cow pease.

Fresh vegetables, viz.: Potatoes, sweet potatoes, yams, turnips, onions, cabbages, and all other vegetables in their natural state.

Fresh fruits, viz.: Apples, pears, peaches, grapes, berries, and all other edible fruits in their natural state.

Dried fruits, viz.: Apples, peaches, pears, and apricots, dried, dessiccated or evaporated.

Dairy products, viz.: Butter, cheese and fresh milk and cream. Provided that cans actually used in the transportation of milk or cream may be passed back and forth between the two countries free of duty, under such regulations as the respective governments may prescribe.

Eggs of barnyard fowl, in the shell.

Honey.

Cotton-seed oil.

Seeds, viz.: Flaxseed or linseed, cotton-seed, and other oil seeds; grass seed, including timothy and clover seed; garden, field, and other seed not herein otherwise provided for; when in packages weighing over one pound each (not including flower seeds).

Fish of all kinds, fresh, frozen, packed in ice, salted or preserved in any form, except sardines and other fish preserved in oil; and shell fish of all kinds, including oysters, lobsters and clams in any state, fresh or packed, and coverings of the foregoing.

Seal, herring, whale, and other fish oil, including sod oil.

Salt.

Mineral waters, natural, not in bottles or jugs.

Timber, hewn, sided or squared otherwise than by sawing, and round timber used for spars or in building wharves.

Sawed boards, planks, deals and other lumber, not further manufactured than sawed.

Paving posts, railroad ties, and telephone, trolley, electric light and telegraph poles of cedar or other woods.

Wooden staves of all kinds, not further manufactured than listed or jointed, and stave bolts.

Pickets and palings.

Plaster rock or gypsum, crude, not ground.

Mica, unmanufactured or rough trimmed only, and mica ground or bolted.

Feldspar, crude, powdered or ground.

Asbestos not further manufactured than ground.

Fluorspar, crude, not ground.

Glycerine, crude, not purified.

Talc, ground, bolted or precipitated, naturally or artificially, not for toilet use.

Sulphate of soda, or salt cake; and soda ash.

Extracts of hemlock bark.

Carbon electrodes.

Brass in bars and rods, in coil or otherwise, not less than six feet in length, or brass in strips, sheets or plates, not polished, planished or coated.

Cream separators of every description, and parts thereof imported for repair of the foregoing.

Rolled iron or steel sheets, or plates, number fourteen gauge or thinner, galvanized or coated with zinc, tin or other metal, or not.

Crucible cast steel wire, valued at not less than six cents per pound.

Galvanized iron or steel wire, curved or not, numbers nine, twelve, and thirteen wire gauge.

Typecasting and typesetting machines and parts thereof, adapted for use in printing offices.

Barbed fencing wire of iron or steel, galvanized or not.

Coke.

Rolled round wire rods in the coil, of iron or steel, not over three-eighths of an inch in diameter, and not smaller than number six wire gauge.

Pulp of wood mechanically ground; pulp of wood, chemical, bleached or unbleached; news print paper, and other paper, and paper board, manufactured from mechanical wood pulp or from chemical wood pulp, or of which such pulp is the component material of chief value, coloured in the pulp, or not coloured, and valued at not more than four cents per pound, not including printed or decorated wall paper.

Provided that such paper and board, valued at four cents per pound or less, and wood pulp, being the products of Canada, when imported therefrom directly into the United States, shall be admitted free of duty, on the condition precedent that no export duty, export license fee, or other export charge of any kind whatsoever (whether in the form of additional charge or license fee or otherwise) or any prohibition or restriction in any way of the exportation (whether by law, order, regulation, contractual relation, or otherwise, directly or indirectly) shall have been imposed upon such paper, board, or wood pulp, or the wood used in the manufacture of such paper, board or wood pulp, or the wood pulp used in the manufacture of such paper or board:

Provided also that such wood pulp, paper or board, being the products of the United States, shall only be admitted free of duty into Canada from the United States when such wood pulp, paper or board, being the products of Canada, are admitted from all parts of Canada free of duty into the United States.

Note—It is understood that fresh fruits to be admitted free of duty into the United States from Canada do not include lemons, oranges, limes, grape fruit, shaddocks, pomelos, or pineapples.

It is also understood that fish oil, whale oil, seal oil and fish of all kinds, being the product of fisheries carried on by the fishermen of the United States shall be admitted into Canada as the product of the United States, and similarly that fish oil, whale oil, seal oil and fish of all kinds, being the product of fisheries carried on by the fishermen of Canada, shall be admitted into the United States as the product of Canada.

SCHEDULE B.

Articles the growth, product or manufacture of the United States to be admitted into Canada at the undermentioned rates of duty when imported from the United States; and reciprocally the same articles the growth, product or manufacture of Canada to be admitted in the United States at identical rates of duty when imported from Canada:—

Articles.	Rates of Duties.
Fresh meats, viz.:—beef, veal, mutton, lamb, pork, and all other fresh or refrigerated meats excepting game..	One and one-quarter cents per pound.
Bacon and hams, not in tins or jars.. ..	One and one-quarter cents per pound.

Articles.	Rates of Duties.
Meats of all kinds, dried, smoked, salted, in brine, or prepared or preserved in any manner, not otherwise herein provided for	One and one-quarter cents per pound.
Canned meats and canned poultry	Twenty per cent ad valorem.
Extract of meat, fluid or not	Twenty per cent ad valorem.
Lard, and compounds thereof, cottolene and cotton stearine, and animal stearine	One and one-quarter cents per pound.
Tallow	Forty cents per 100 lbs.
Egg yolk, egg albumen and blood almumen	Seven and one-half per cent ad valorem
Fish (except shell fish), by whatever name known, packed in oil, in tin boxes or cans, including the weight of the package:—	
(a) when weighing over twenty ounces and not over thirty-six ounces each	Five cents per package.
(b) when weighing over twelve ounces and not over twenty ounces each	Four cents per package.
(c) when weighing twelve ounces each or less	Two cents per package.
(d) when weighing thirty-six ounces each or more, or when packed in oil, in bottles, jars or kegs	Thirty per cent ad valorem.
Tomatoes and other vegetables, including corn, in cans or other air-tight packages, and including the weight of the package.	One and one-quarter cents per pound.
Wheat flour and semolina; and rye flour	Fifty cents per barrel of 196 pounds.
Oatmeal and rolled oats, including the weight of paper covering	Fifty cents per 100 pounds.
Corn meal	Twelve and one-half cents per 100 pounds.
Barley malt	Forty-five cents per 100 pounds.
Barley, pot, pearled and patent	One-half cent per pound.
Buckwheat flour or meal	One-half cent per pound.
Split pease, dried	Seven and one-half cents per bushel of 60 pounds.
Prepared cereal foods, not otherwise provided for herein	Seventeen and one-half per cent ad valorem.
Bran, middlings and other offals of grain used for animal food	Twelve and one-half cents per 100 pounds.
Macaroni and vermicelli	One cent per pound.
Biscuits, wafers and cakes, when sweetened with sugar, honey, molasses or other material	Twenty-five per cent ad valorem.
Biscuits, wafers, cakes and other baked articles composed in whole or in part of eggs or any kind of flour or meal when combined with chocolate, nuts, fruits or confectionery; also candied peel, candied pop-corn, candied nuts, candied fruits, sugar candy and confectionery of all kinds	Thirty-two and one-half per cent ad valorem.

Articles.	Rates of Duties.
Maple sugar and maple syrup	One cent per pound.
Pickles, including pickled nuts; sauces of all kinds, and fish paste or sauce	Thirty-two and one-half per cent ad valorem.
Cherry juice and prune juice, or prune wine, and other fruit juices, and fruit syrup, non-alcoholic	Seventeen and a half per cent ad valorem.
Mineral waters and imitations of natural mineral waters, in bottles or jugs	Seventeen and a half per cent ad valorem.
Essential oils	Seven and a half per cent ad valorem.
Grape vines; gooseberry, raspberry and currant bushes	Seventeen and a half per cent ad valorem.
Farm wagons, and finished parts thereof	Twenty-two and a half per cent ad valorem.
Ploughs, tooth and disc harrows, harvesters, reapers, agricultural drills and planters, mowers, horse-rakes, cultivators; threshing machines, including windstackers, baggers, weighers, and self-feeders therefor; and finished parts thereof imported for repair of the foregoing	Fifteen per cent ad valorem.
Portable engines with boilers, in combination, horse-powers and traction engines, for farm purposes; hay loaders, potato diggers, fodder or feed cutters, grain crushers, fanning mills, hay tedders, farm or field rollers, manure spreaders, weeders and windmills; and finished parts thereof imported for repair of the foregoing, except shafting	Twenty per cent ad valorem.
Grindstones of sandstone, not mounted, finished or not	Five cents per 100 pounds.
Freestone, granite, sandstone, limestone, and all other monumental or building stone, except marble, brecchia, and onyx, unmanufactured, or not dressed, hewn or polished	Twelve and a half per cent ad valorem.
Roofing slates	Fifty-five cents per 100 square feet.
Vitrified paving blocks, not ornamented or decorated in any manner, and paving blocks of stone	Seventeen and a half per cent ad valorem.
Oxide of iron, as a colour	Twenty-two and a half per cent ad valorem.
Asbestos further manufactured than ground; manufactures of asbestos, or articles of which asbestos is the component material of chief value, including woven fabrics wholly or in chief value of asbestos	Twenty-two and a half per cent ad valorem.
Printing ink	Seventeen and a half per cent ad valorem.
Cutlery, plated or not, viz.:—pocket knives, pen knives, scissors and shears, knives and forks for household purposes, and table steels	Twenty-seven and a half per cent ad valorem.

Articles.	Rates of Duties.
Bells and gongs; brass corners and rules for printers	Twenty-seven and a half per cent ad valorem.
Basins, urinals and other plumbing fixtures for bath rooms and lavatories; bath tubs, sinks and laundry tubs, of earthenware, stone, cement or clay, or of other material	Thirty-two and a half per cent ad valorem.
Brass band instruments	Twenty-two and a half per cent ad valorem.
Clocks, watches, time recorders, clock and watch keys, clock cases, and clock movements	Twenty-seven and a half per cent ad valorem.
Printers' wooden cases and cabinets for holding type	Twenty-seven and a half per cent ad valorem.
Wood flour	Twenty-two and a half per cent ad valorem.
Canoes and small boats of wood, not power boats	Twenty-two and a half per cent ad valorem.
Feathers, crude, not dressed, coloured or otherwise manufactured	Twelve and a half per cent ad valorem.
Antiseptic surgical dressings, such as absorbent cotton, cotton wool, lint, lamb's wool, tow, jute, gauzes and oakum, prepared for use as surgical dressings, plain or medicated; surgical trusses, pessaries, and suspensory bandages of all kinds	Seventeen and a half per cent ad valorem.
Plate glass, not bevelled, in sheets or panes exceeding seven square feet each, and not exceeding twenty-five square feet each	Twenty-five per cent ad valorem.
Motor vehicles other than for railways and tramways, and automobiles, and parts thereof, not including rubber tires	Thirty per cent ad valorem.
Iron or steel digesters for the manufacture of wood pulp	Twenty-seven and a half per cent ad valorem.
Musical instrument cases, fancy cases or boxes, portfolios, satchels, reticules, card cases, purses, pocket books, fly books for artificial flies, all the foregoing composed wholly or in chief value of leather.	Thirty per cent ad valorem.

SCHEDULE C.

Articles the growth, product or manufacture of Canada to be admitted into the United States at the undermentioned special rates of duty when imported from Canada:—

Articles.	Rates of Duty.
Aluminum in crude form	Five cents per pound.
Aluminum in plates, sheets, bars and rods.	Eight cents per pound.
Laths	Ten cents per 1,000 pieces.
Shingles	Thirty cents per thousand.

Articles.	Rates of Duties.
Sawed boards, planks, deals and other lumber, planed or finished on one side..	Fifty cents per M. feet B.M.
Planed or finished on one side and tongued and grooved, or planed or finished on two sides..	Seventy-five cents per M. feet B.M.
Planed or finished on three sides, or planed and finished on two sides and tongued and grooved..	One dollar and twelve and a half cents per M. feet B.M.
Planed and finished on four sides..	One dollar and fifty cents per M. feet B.M.
and in estimating board measure under this schedule no deduction shall be made on board measure on account of planing, tonguing and grooving.	
Iron ore, including manganiferous iron ore, and the dross or residuum from burnt pyrites..	Ten cents per ton of 2,240 pounds.
Coal slack or culm, of all kinds, such as will pass through a half-inch sereen.. ..	Fifteen cents per ton of 2,240 pounds.

SCHEDULE D.

Articles the growth, product or manufacture of the United States to be admitted into Canada at the undermentioned special rates of duty when imported from the United States:—

Articles.	Rates of Duties.
Cement, Portland, and hydraulic or water lime in barrels, bags, or casks, the weight of the package to be included in the weight for duty..	Eleven cents per 100 pounds.
Trees, viz.:—Apple, cherry, peach, pear, plum, and quince, of all kinds, and small peach trees known as June buds..	Two and a half cents each.
Condensed milk, the weight of the package to be included in the weight for duty..	Two cents per pound.
Biscuits without added sweetening..	Twenty per cent ad valorem.
Fruits in air-tight cans or other air-tight packages, the weight of the cans or other packages to be included in the weigh for duty..	Two cents per pound.
Peanuts, shelled..	One cent per pound.
Peanuts, unshelled..	A half per cent per pound.
Coal, bituminous, round and run of mine, including bituminous coal such as will not pass through a three-quarter-inch screen..	Forty-five cents per ton.

THE SHOREHAM HOTEL, WASHINGTON, D.C.,
January 21st, 1911.

DEAR MR. SECRETARY,—We have received with much satisfaction your letter of this date in which you have confirmed our understanding of the arrangement which is being made between us respecting trade relations between the United States and Canada.

In bringing the negotiations to a close, permit us to express our warmest appreciation of the spirit in which the whole subject has been dealt with by the President and yourself and for the unvarying courtesy which we have received in Washington from all the officials of your Government with whom we have been brought in contact.

Yours faithfully,

(Sgd.) W. S. FIELDING,
" WM. PATERSON

The Honourable P. C. KNOX,
Secretary of State,
Washington, D.C.

⊕

STATEMENT No. 1.—RECIPROCAL TARIFF AGREEMENT BETWEEN THE UNITED STATES AND CANADA.

Statement of Articles and Duties Specified in SCHEDULES A and B.

Articles.	Canadian Tariff.			United States Tariff.	Rates now proposed for both United States and Canada.	Reduction by United States.	Reduction by Canada.
	Preferential.	Intermediate.	General.				
Cattle	15 per cent.	22½ per cent.	25 per cent		Free		25 per cent.
Less than one year old				$2 per head	"	$2 per head	
Valued at not more than $14 per head				$3.75 "	Free	$3.75 "	
Valued at more than $14 per head				27½ per cent	"	27½ per cent	
Horses and mules					Free		
Horses over one year old, valued at $50 or less	$10	$12.50	$12.50		"		$12.50.
Horses, N.O.P	15 per cent.	22½ per cent	25 per cent		"		25 per cent.
Valued at $150 or less per head				$30 per head	Free	$30	
Valued at over $150				25 per cent.	"	25 per cent	
Swine	1c. per lb.	1½c. per lb	1½c. per lb.	$1.50 each	"	$1.50 each	1½c. per lb.
Sheep and lambs	15 per cent.	22½ per cent	25 per cent		"		25 per cent.
Less than one year old				75c. per head	"	75c. each	
One year old or over				$1.50 "	"	$1.50 "	
Other live animals	15 per cent.	22½ per cent	25 per cent	20 per cent	"	20 per cent	25 per cent.
Poultry, dead and alive					"		
Alive	15 "	22½ "	25 per cent	3c. per lb.	"	3c. per lb.	25 "
Dead	12½ "	17½ "	20 "	5c. "	"	5c. "	20 "
Wheat, per bushel	8 cents	10 cents	12 cents	25 cents	Free	25 cents	12 cents.
Rye "	7 "	9 "	10 "	10 "	"	10 "	10 "
Oats "	7 "	9 "	10 "	15 "	"	15 "	10 "
Barley "	10 "	12½ "	15 "	30 "	"	30 "	15 "
Buckwheat "	10 "	12 "	15 "	15 "	"	15 "	15 "
Beans, edible, dried, per bushel	15 "	22½ "	25 "	45 "	"	45 "	25 "
Pease, dried, per bushel	10 "	12½ "	15 "	25 "	"	25 "	
				(seed pease 40c)		40 "	15 "
Potatoes, per bushel	12½ "	17½ "	20 "	25 cents	"	25 "	20 "
Corn (except into Canada for distillation)	Free	Free	Free	15c. p. bushel	"	15c. p. bushel	
Sweet potatoes, per bushel	7 cents	9 cents	10 cents	25 cents	"	25 cents	10 "
Yams	15 per cent.	27½ per cent.	30 per cent.	25 per cent.	"	25 per cent.	30 per cent.
Turnips	15 "	27½ "	30 "	25 "	"	25 "	30 "
Onions	15 "	27½ "	30 "	40c. p. bushel	"	40c. p. bushel	30 "
Cabbages	15 "	27½ "	30 "	2c. each	"	2c. each	30 "
All other vegetables in their natural state	15 "	27½ "	30 "	25 per cent.	"	25 per cent.	30 "

STATEMENT of Articles and Duties Specified in Schedules A and B—*Continued.*

ARTICLES.	CANADIAN TARIFF.			United States Tariff.	Rates now proposed for both United States and Canada.	Reduction by United States.	Reduction by Canada.
	Preferential.	Intermediate.	General.				
Fresh fruits, viz—							
Apples	25c. per bbl.	35c. per bbl.	40c. per bbl.	25c. p. bushel.	Free.	25c. p. bushel.	40c. per bbl.
Pears	35 cents per 100 lbs.	45 cents	50 cents	25c. "	"	25c. "	25 cents bush.
Peaches	67c. p. 100 lbs.	90c. p. 100 lbs.	$1 per 100 lbs.	25c. "	"	25c. "	$1 per 100 lbs.
Grapes	1½c per lb.	1¾c. per lb.	2c. per lb.	25c. p. cub. ft. cap. of bbls. or packages.	"	25c. p. cub. ft. cap. package.	2c. per lb.
Wild blueberries, wild strawberries and wild raspberries	Free.	Free.	Free.	1c. per quart.	"	1c. per quart.	
Blackberries, gooseberries, raspberries and strawberries, n.o.p.	1½c. per lb.	1¾c. per lb.	2c. per lb.	1c. "	"	1c. "	2c. "
All other edible fruits in their natural state, N.O.P.	17½ per cent.	22½ per cent.	25 per cent.	Free or 25 p.c.	"	Free or 25 p.c.	25 per cent.
Dried apples	17½ "	22½ "	25 "	2c. per lb.	"	2c. per lb.	25 "
Dried peaches, pears and apricots	17½ "	22½ "	25 "	2c. "	"	2c. "	25 "
Butter	3c. per lb.	4c. per lb.	4c. per lb.	6c. "	"	6c. "	1c. per lb.
Cheese	2c. "	3c. "	3c. "	6c. "	"	6c. "	3c. "
Fresh milk	15 per cent.	17½ per cent.	17½ per cent.	2c. per gal.	"	2c. per gal.	17½ per cent.
Fresh cream	15 "	17½ "	17½ "	5c. "	"	5c. "	17½ "
Eggs	2c. per doz.	2½c. per doz.	3c. per doz.	5c. per doz.	"	5c. per doz.	3c. per doz.
Honey	2c. per lb.	2½c. per lb.	3c. per lb.	20c. per gal.	"	20c. per gal.	3c. per lb.
Garden, field and other seeds not herein otherwise provided for, when in packages weighing over one pound each, not including flower seeds	5 per cent.	10 per cent.	10 per cent.	from 15c. per bush. to 20c. per lb.	"	15c. per bush. to 20c. per lb.	10 per cent.
Grass seed, including timothy and clover seed	5 "	10 "	10 "	Free.	"		10 "
Flaxseed or linseed	7½c.	10c.	10c.	25c.	"	25c.	10c.
Cotton seed and other oil seeds	5 per cent.	10 per cent.	10 per cent.	Free.	"		10 per cent.
Hay	$1.65	$1.75	$2	$4 (2,240 lbs.).	"	$4 (2,240 lbs.).	$2.
Straw	$1.65.	$1.75	$2	$1.50 (2240 lbs)	"	$1.50 "	$2.
Extract of hemlock bark	Free. (for manufacturing purposes.)	Free.	Free.	½c. per lb.	"	½c. per lb.	
Glycerine, crude, not purified	Free.	Free.	Free.	1c. per lb.	"	1c. "	
Fish—							
Mackerel, fresh, pickled or salted, per pound	½ cent.	¾ cent.	1 cent.	1 cent.	Free.	1 cent.	1 cent.
Herrings, fresh	½ "	¾ "	1 "	¼ cent.	"	¼ cent.	1 "
Pickled or salted	35 cts. per 100 lbs.	45 cts. per 100 lbs.	50cts. per 100 lbs.	50 cts. per 100 lbs.	"	50 cts. per 100 lbs.	50 cts. per 100 lbs.

Smoked or kippered, per pound	½ cent	¾ cent	1 cent	½ cent	"	½ cent	1 cent
Halibut and salmon, fresh, pickled or salted, per pound	½ "	¾ "	1 "	1 cent	"	1 "	1 "
Cod, haddock, ling, pollock, fresh, salted or pickled, per pound	½ "	¾ "	1 "	¾ cent	"	¾ "	1 "
Boneless, per pound	½ "	¾ "	1 "	1¼ cents	"	1¼ cents	1 "
Eels and smelts, fresh or frozen, per pound	½ "	¾ "	1 "	¾ cent	"	¾ cent	1 "
All other, fresh, pickled or salted, per pound	½ "	¾ "	1 "	¾ cent	"	¾ "	1 "
Salmon and all other fish, prepared preserved, n.o.p.	17½ per cent	27½ per cent	30 per cent	30 per cent	"	30 per cent	30 per cent
If in packages containing less than half a barrel, United States (minimum 30 p.c.)				30 per cent	"	30 per cent	
Oysters—							
Shelled, in bulk, per gallon	7 cents	9 cents	10 cents	Free	"		10 cents
Shelled, in cans not over one pint, including the duty on cans, per can	2 "	2½ cents	3 "	Free	"		3 "
Shelled, in cans over one pint and not over one quart, including the duty on cans, per can	3 "	4½ cents	5 "	Free	"		5 "
Shelled, in cans exceeding one quart in capacity, including the duty on cans, per quart	3 cents	4½ cents	5 cents	Free	Free		5 cents
Lobsters, fresh	15 per cent	20 per cent	25 per cent	Free	Free		25 per cent
" canned	17½ "	27½ "	30 "	"	"		30 "
Fresh water fish	½ cent	¾ cent	1 cent	¼ cent	"	¼ cent	1 cent
All other fish the produce of the fisheries	15 per cent	20 per cent	25 per cent	Shell fish--free, other fish ¾ c. per lb.	"	Free or ¾ c. per lb.	25 per cent
Fish oil :—							
Cod liver oil	12½ per cent	20 "	22½ "	15 c. per gallon	"	15 c. per gallon	22½ "
Seal, herring, whale and other fish oil	12½ "	20 "	22½ "	8 "	"	8 "	22½ "
Feldspar, crude, powdered or ground	Free	Free	Free	20 p.c. (ground)	"	20 per cent	
Fluorspar	"	"	"	$3 per ton	"	$3 per ton	
Mica, unmanufactured and rough trimmed, and mica, ground or bolted	15 per cent	17½ per cent	17½ per cent	20 per cent	"	20 per cent	17½ per cent
Talc, ground, bolted, or precipitated, naturally or artificially, not for toilet use	Free	Free	Free	1 c. per pound	"	1 c. per lb	
Plaster rock or gypsum, crude, not ground	"	"	"	30 c. per ton	"	30 c. per ton	
Salt, in bulk:	"	4 c. per 100 lbs.	5 c. per 100 lbs.	7 c. per 100 lbs.	"	7 c. per 100 lbs.	5 c. per 100 lbs.
Salt, in bags, barrels and other coverings	"	6½ c. " "	7½ " "	11 c. " "	"	11 c. " "	7½ " "
Asbestos, not further manufactured than ground—							
Crude	15 p.c.	17½ p.c.	17½ p.c.	Free.	Free.		17½ p.c.
Ground	15 p.c.	22½ p.c.	25 p.c.	25 p.c.	Free.	25 p.c.	25 p.c.
Barbed fencing wire of iron or steel	Free.	Free.	Free.	¾ c. per lb.	Free.	¾ c. per lb.	
Brass in bars and rods, in coil or otherwise, not less than six feet in length, and brass in strips, sheets or plates, not polished, planished or coated. (For use in Canadian manufactures)	Free.	Free.	Free.				
Bars				Free.	Free.		
Balance of item				45 p. c.		45 p. c.	
Carbon electrodes	Free.	Free.	Free.	30 p.c.	Free.	30 p.c.	
Cream separators and parts for repairs	Free.	Free.	Free.	45 p.c.	Free.	45 p.c.	
Rolled round wire rods in the coil, of iron or steel, not over three-eighths of an inch in diameter	Free.	Free.	Free.	3/10 c. per lb.	Free.	3/10 c. per lb.	

STATEMENT of Articles and Duties Specified in Schedules A and B—*Continued.*

ARTICLES.	CANADIAN TARIFF.			United States Tariff.	Rates now proposed for both United States and Canada.	Reduction by United States.	Reduction by Canada.
	Preferential.	Intermediate.	General.				
Rolled iron or steel sheets, or plates, number fourteen gauge or thinner, galvanized or coated with zinc, tin or other metal, or not	Free.	5 p.c.	5 p.c.	½c. lb. to 1-$\frac{2}{10}$c. per lb.	Free.	½ c. per lb. to 1-$\frac{2}{10}$ c. per lb.	5 p.c.
Wire, crucible cast steel, valued at not less than six cents per pound	Free.	5 p.c.	5 p.c.	not less than 35 p.c.	Free.	not less than 35 p.c.	5 p.c.
Galvanized iron or steel wire, curved or not, numbers nine, twelve and thirteen gauge	Free.	Free.	Free.	not less than 35 p.c.	Free.	not less than 35 p.c.	
Type-casting and type-setting machines and parts thereof, adapted for use in printing offices	12½ p.c.	17½ p.c.	20 p.c.	30 p.c.	Free.	30 p.c.	20 p.c.
Coke	Free.	Free.	Free.	20 per cent.	Free.	20 per cent.	
Cotton seed oil	15 per cent.	17½ per cent.	17½ per cent.	Free	"		17½ per cent.
Mineral waters, natural, not in bottles or jugs	Free.	Free.	Free.	8c. per gal.	"	8c. per gal.	
Soda ash	"	"	"	¼c. per lb.	"	¼c. per lb.	
Salt cake	"	"	"	$1 per ton	"	$1 per ton	
Timber, hewn, sided or squared otherwise than by sawing, and round timber used for spars or in building wharfs	"	"	"	½c. per cu. ft.	"	½c. per cu. ft.	
Sawed boards, planks, deals and other lumber, not further manufactured than sawed	"	"	"	$1.25 per 1,000 ft. B.M.	"	$1.25 per 1,000 ft. B.M.	
Paving posts, railroad ties, and telephone, trolley, electric light and telegraph poles of cedar and other woods	"	"	"	10 per cent.	"	10 per cent.	
Wooden staves of all kinds, not further manufactured than listed or jointed, and stave bolts	Free and 15 p.c.	Free & 17½ p.c.	Free and 20 p.c.	10 "	"	10 "	Free and 20 p.c.
Pickets and palings	Free	Free	Free	10 "	"	10 "	
Meats, fresh or refrigerated, per pound	2 cents.	2½ cents.	3 cents.	1½ cents.	1¼ cents.	¼ cent	1¾ cents.
Bacon and Hams, per pound	1½ "	1¾ "	2 "	4 "	1¼ "	2¾ cents	¾ "
Beef, salted in barrels, per pound	1½ "	1¾ "	2 "	25 p.c.	1¼ "	* 2 p.c.	* 15 p.c.
Pork, barrelled in brine, per pound	1½ "	1¾ "	2 "	25 "	1¼ "	*13 "	* 7 "
Meats, other salted	1½ "	1¾ "	2 "	25 "	1¼ "	*14½ "	* 6 "
Canned meats and canned poultry	17½ p.c.	25 p.c.	27½ p.c.	25 "	20 p.c.	5 "	7½ "
Extract of meat, fluid or not	17½ "	25 "	27½ "				7½ "
fluid				15c. per lb.	20 "	* 1½ p.c.	
not fluid				35c. "		* 2 2-10 p. c.	
Tallow	15 "	17½ "	20 p.c.	½c. "	40c. per 100 lb.	* 4½ p.c.	15 p.c.
Lard, and compounds thereof, cottolene, cotton stearine and animal searine, per pound	1½ cents.	1¾ cents.	2 cents.	1½ cents.	1¼ cents.	¼ cent.	¾ cent.

Tomatoes and other vegetables, including corn and baked beans, in cans or other air-tight packages, including the weight of the package, per pound	1 cent	1¾ "	1½ "	2½cts. to 10 p.c.	1¼ "	1¾ cts. to 2 cts.	¼ "
Wheat flour, semolina and rye flour, per barrel of 196 lbs.	40 " / 33 "	50 cents. / 45 "	60 " / 50 "	25 p.c.	50 "	13 p.c. or 70c. per bbl.	2 p.c. or 10c. per bbl.
Oatmeal and rolled oats, per 100 lbs	40 "	50 "	60 "	$1	50 "	50 cents	10 cents.
Barley, pot, pearled and patent	20 p.c.	27½ p.c.	30 p.c.	2c. per lb.	½c. per lb.	* 48 p.c.	* 14 p.c.
Barley malt	45 c. per 100 lb.	45c. per 100 lbs	45c. per 100 lbs	45c. per 34 lbs	45c. per 100 lbs	87c. per 100 lbs	
Buckwheat flour or meal	35c. per 100 lb.	45c. per 100 lbs	50c. per 100 lbs	25 p.c.	½c. per lb.	10 p.c.	
Corn meal	20c. per bbl.	22½c. per bbl.	25c. per bbl.	40c. per 100 lb.	12½c. per 100 lb	27½c. per 100 lb	
Split peas, dried	10c. per bushel	12½c. per bush.	15c. per bush.	45c. per bush.	7½c. per bush.	37½c. per bush.	7½c. per bushel
Prepared cereal foods	17½ p. c.	22½ p.c.	25 p.c.	20 p.c.	17½ p.c.		7½ p.c.
Do. do.	15 "	17½ "	20 "	20 p.c.	17½ "	2½ p.c.	2½ p.c.
Bran, middlings and other offals of grain, used for animal food.	15 per cent.	17½ per cent.	17½ per cent.	20 per cent.	12½ cents per 100 lbs.	7½ p.c.	5 per cent.
Macaroni and vermicelli per 100 lbs.	75 cents	$1	$1.25	$1.50	1 cent per lb.	½ cent	¼ cent.
Biscuits, wafers and cakes, having added sweetening only.	17½ per cent.	25 per cent.	27½ per cent.	3 cents per lb. and 15 p.c. or 50 p.c.	25 per cent.	25 p.c.	2½ per cent.
Biscuits, wafers, cakes and other baked articles composed in whole or in part of eggs or any kind of flour or meal when combined with chocolate, nuts, fruits ,or confectionery, also candied peel, candied popcorn, candied nuts, candied fruits, sugar candy and confectionery of all kinds.	22½ "	32½ "	35 "	3 cents per lb. and 15 p.c., or 50 p.c.; or 1 cent per lb. and 35 p.c.; or 2 cents a lb. or 4 cents a lb.	32½ "	*17½ p.c.	2½ "
Maple sugar and maple syrup	15 "	17½ "	20 "	4 cents a lb.	1 cent a lb	3 cents a lb.	1 cent per lb.*
Pickles, sauces and catsups	25 per cent.	32½ per cent.	35 per cent.	40 per cent.	32½ per cent.	7½ p.c.	2½ per cent.
Egg yoke, egg albumen and blood albumen	5 "	7½ "	10 "	25 p.c. or 3c. per lb. or 1½ cents per lb.	7½ "	9 p.c.	2½ "
Cherry juice and prune juice, or prune wine, and other fruit juices, and fruit syrup, non-alcoholic.	15 "	17½ "	20 "	70c. per gall.	17½ "	49 cts per gall.	3 cts per gal.*.
Sardines, packed in oil in tin boxes, the weight of the tin box to be included in the weight for duty ;							
(a) When weighing over twenty ounces and not over thirty-six ounces each.....per box	3½ cents	5 cents	6 cents	over 21 cu. in., 5c.	5 cents		1 cent.
(b) When weighing over twelve ounces and not over twenty ounces each.....per box	2½ "	4 "	4½ "	" " 5c.	4 "	1 cent	½ cent.
(c) When weighing over eight ounces and not over twelve ounces each .....per box	2 "	3 "	3½ "	over 7½ cu. in. and under 21 cu. in., 2½c.	2 "	½ "	1½ cents.
(d) When weighing eight ounces each or less.....per box	1¼ "	2 "	2½ "	" " 2½c.	2 "	½ "	½ cent.
Sardines, prepared in oil in boxes weighing over thirty-six ounces each.	20 per cent.	30 per cent.	35 per cent.	over 33 cu. in. 10c. per box to 30 p.c.	30 per cent.		5 per cent.
Farm wagons, and complete parts thereof	17½ per cent.	22½ per cent.	25 per cent.	45 per cent.	22½ per cent.	22½ per cent.	2½ per cent
Ploughs	12½ "	17½ "	20 "	15 "	15 "		5 "

STATEMENT of Articles and Duties Specified in Schedules A and B—*Continued.*

ARTICLES.	CANADIAN TARIFF.			United States Tariff.	Rates now proposed for both United States and Canada.	Reduction by United States.	Reduction by Canada.
	Preferential.	Intermediate.	General.				
Tooth and disc harrows	12½ per cent.	17½ per cent.	20 per cent.	15 per cent.	15 per cent.		5 per cent.
Harvesters and reapers	12½ "	17½ "	17½ "	15 "	15 "		2½ "
Agricultural drills and planters	12½ "	17½ "	20 "	15 "	15 "		5 "
Mowers	12½ "	17½ "	17½ "	15 "	15 "		2½ "
Horse rakes	12½ "	17½ "	20 "	15 "	15 "		5 "
Cultivators	12½ "	17½ "	20 "	15 "	15 "		5 "
Threshing Machines	15 "	17½ "	20 "	15 "	15 "		5 "
Windstackers, baggers, weighers, and self-feeders therefor and finished parts of the foregoing for repairs	15 "	17½ "	20 "	According to material 35 per cent to 45 p. c.	15 "	20 p. c. to 30 per cent.	5 "
Portable engines with boilers, in combination, with horse powers and traction engines, for farm purposes	15 per cent.	17½ "	20 "	Steam engines,—30 per cent. Gasoline engines,—45 p. c. Horse powers,—45 per cent.	20 "	From 10 per cent to 25 p. c.	
Hay loaders	15 per cent.	22½ "	25 "	According to material 35 per cent to 45 p. c.	20 "	From 15 per cent to 25 p. c.	5 "
Potato diggers	15 "	22½ "	25 "	45 per cent.	20 "	25 per cent.	5 "
Fodder or feed cutters	15 "	22½ "	25 "	45 "	20 "	25 "	5 "
Grain crushers	15 "	22½ "	25 "	45 "	20 "	25 "	5 "
Fanning mills	15 "	22½ "	25 "	According to material Wood —35 per p. c.	20 "	15 "	5 "
Hay tedders	15 "	22½ "	25 "	According to material. 35 to 45 per c.	20 "	15 to 25 per c.	5 "
Farm or field rollers	15 "	22½ "	25 "	45 per cent.	20 "	25 per cent.	5 "
Manure spreaders	12½ "	17½ "	20 "	According to material. 35 to 45 per c.	20 "	15 to 25 per c. 25 per cent (?).	
Weeders	12½ "	17½ "	20 "	45 per cent (?).	20 "		
Windmills—and finished parts of the foregoing, for repairs, except shafting.	12½ "	17½ "	20 "	45 per cent.	20 "	25 per cent.	
Cutlery, plated or not, viz., penknives, pocketknives, knives for household and other purposes and table steels.	20 "	27½ "	30 "	40 to 90 per c.	27½ "	12½ to 62½ p.c.	2½ per cent.

Bells and gongs; brass corners and rules for printers	20	"	...	27½	"	...	30	"	...	45 per cent.	...	27½	"	...	17½ per cent.	...	2½	"
Basins, urinals and other plumbing fixtures of earthernware for bathrooms and lavatories; baths, bath-tubs, sinks and laundry tubs of earthernware, stone, cement or clay, or of other material.	20	"	...	30	"	...	35	"	...	According to material. 35 to 45 per c.	..	32½	"	...	2½ to 12½ per c.		2½	"
Brass band instruments	15	"	...	22½	"	...	25	"	...	45 per cent	...	22½	"	...	22½ per cent.	..	2½	per cent.
Grindstones of sandstone, not mounted, finished or not	10	"	...	12½	"	...	15	"	...	$1.75 per ton.	..	5 c.	per 100 lb.		75 cts. per ton.		50 cts.	per ton.
Building or monumental stone of freestone, granite, sandstone or limestone unmanufactured, or not dressed, hewn or polished.	10	"	...	12½	"	...	15	"	...	10 cts per cu f.		12½	per cent.	..	7½ per cent.	...	2½	per cent.
Roofing slate per squares of 100 sq. ft.	50 cents.		...	70 cents.		...	75 cents.		...	20 per cent.	...	55 cents.		...	*5	" ...	*4	"
Vitrified paving blocks not ornamented or decorated in any manner.	12½	per cent.	..	20	per cent.	...	22½	per cent.	..	35	" ...	17½	per cent.	..	17½	" ...	*5	"
Paving blocks of stone	15	"	...	17½	"	...	20	"	...	Dressed, 50 p.c.		17½	"	...	32½	" ...	2½	"
Clocks, watches, time recorders clock and watch keys, clock cases, and clock movements.	20	per cent.	...	27½	per lent.	..	30	per cent.	..	40 per cent.	...	27½	per cent.	..	12½	per cent ..	2½	per cent.
Feathers in their natural state	10	"	...	12½	"	...	15	"	...	20	" ...	12½	"	...	7½	" ...	2½	"
Printers' wooden cases and cabinets for holding type	20	"	...	27½	"	...	30	"	...	35	" ...	27½	"	...	7½	" ...	2½	"
Antiseptic surgical dressing, such as absorbent cotton, cotton wool, lint, lamb's wool, tow, jute, gauzes and oakum, prepared for use as surgical dressings, plain or medicated; surgical trusses, pessaries and suspensory bandages of all kinds.	12½	per cent.	..	17½	per cent.	..	20	per cent.	..	45 per cent.	..	17½	per cent.	..	27½	per cent. ..	2½	per cent.
Printing ink	12½	"	..	17½	"	..	20	"	..	25	" ..	17½	"	..	7½	" ..	2½	"
Essential oils	5	"	..	7½	"	..	10	"	..	25	" ..	7½	"	..	17½	" ..	2½	"
Plate glass, not bevelled, in sheets or panes exceeding seven square feet each, and not exceeding twenty-five square feet each.	15	"	..	25	"	..	27½	"	..	22½ c. per sq. ft.		25	"	..	45	26* per cent	2½	"
Oxide of iron as a colour	15	"	..	20	"	..	22½	"	..	30 per cent.	...	22½	"	..	7½	per cent. ..		
Motor vehicles, other than railway and tramway, and automobiles and parts thereof, not including rubber tires.	22½	"	..	30	"	..	35	"	..	45 "	..	30	"	..	15	" ..	5	"
Asbestos, manufactures of or of which asbestos is the component of chief value.	15	"	..	22½	"	..	25	"	..	25 or 40 per cent		22½	"	..	2½ or 17½ p. c.	..	2½	"
Canoes and small boats of wood, not power boats	17½	"	..	22½	"	..	25	"	..	35 per cent.	..	22½	"	..	12½	per cent. ..	2½	"
Wood flour	17½	"	..	22½	"	..	25	"	..	35 "	..	22½	"	..	12½	" .	2½	"
Digesters of iron or steel for the manufacture of wood pulp.	20	"	..	27½	"	..	30	"	..	45 "	..	27½	"	..	17½	" ..	2½	"
Grape vines, gooseberry, raspberry and current bushes	12½	"	..	17½	"	..	20	"	..	25 "	..	17½	"	..	7½	" ..	2½	"
Mineral and aerated waters, in bottles or jugs	15	"	..	17½	"	..	17½	"	..	Containing not over 1 pint, 20c. per doz.; containing over 1 pint, not over one quart, 30c. doz; containing over 1 quart, 24c. per gallon. Equivalent, 33½ per cent.		17½	"	..	16	" ..		

STATEMENT of Articles and Duties Specified in Schedules A and B—*Continued.*

ARTICLES.	CANADIAN TARIFF.			United States Tariff.	Rates now proposed for both United States and Canada.	Reduction by United States.	Reduction by Canada.
	Preferential.	Intermediate.	General.				
Musical instrument cases, fancy cases or boxes, portfolios, satchels, reticules, card cases, purses, pocket books, fly books for artificial flies, all the foregoing composed wholly or in chief value of leather.	22½ " ..	30 " ..	35 " ..	40, 45 and 50 per cent.	32½ " ..	7½, 12½ and 17½ per cent.	2½

SCHEDULE C.

ARTICLES.	CANADIAN TARIFF.			United States Tariff.	Rates now proposed for U. S.	Reduction by United States.	Reduction by Canada.
	Preferential.	Intermediate.	General.				
Aluminum in crude form	Free	Free	Free	7 c. per lb.	5 c. per lb.	2 c. per lb.	
Aluminum in plates, sheets, bars and rods	"	"	"	11 " "	8 " "	3 " "	
Laths	"	"	"	20 c. per M.	10 c. per M.	10 c. per M.	
Shingles	"	"	"	50 " "	30 " "	20 " "	
Sawed boards, planks, deals and other lumber, planed or finished on one side per 1000 feet board measure	"	"	"	$1.75 per M ft.	50 c. per M. ft.	$1.25 per M. ft.	
planed or finished on one side and tongued and grooved, or planed or finished on two sides	17½ per cent.	22½ per cent.	25 per cent.	$2.00 "	75 c. "	$1.25 "	
planed or finished on three sides, or planed or finished on two sides and tongued and grooved, per 1000 feet board measure	17½ "	22½ "	25 "	$2.37½ "	$1.12½ "	$1.25 "	
planed and finished on four sides, per 1000 feet board measure	17½ "	22½ "	25 "	$2.75	$1.50	$1.25 "	
Iron ore	Free	Free	Free	15 c. per ton.	10 c. per ton.	5 c. per ton.	
Coal slack or culm, of all kinds, such as will pass through a half inch screen (This change is to admit washed slack into the United States at 15 c. per ton of 2240 pounds.)	10 c. per ton.	12 c. per ton.	14 c. per ton.	15 c. per ton of 2240 lbs.			

SCHEDULE D.

Articles.	Canadian Tariff.			United States Tariff.	Rates now proposed for Canada.	Reduction by United States.	Reduction by Canada.
	Preferential.	Intermediate.	General.				
Cement, Portland ..... .per 100 lbs.	8 cents	11 cents	12½ cents ...	8 cents	11 cents	.....	1½ cents.
Trees, viz.: Apple, cherry, peach, pear, plum, and quinces, of all kinds and small peach trees known as June buds, each.	2 "	2½ "	3 "	$2 per m. to 25 per cent.	2½ "	.....	½ cent.
Condensed milk, the weight of the package to be included in the weight for duty.	2c. per lb.....	3c. per lb.....	3¼c. per lb....	2c. per lb.....	2c. per lb.....	....	1¼c. per lb.
Biscuits without added sweeting.....	15 per cent....	22½ per cent..	25 per cent ...	20 per cent ...	20 per cent ...	.....	5 per cent.
Fruits in air tight cans or other air-tight packages, weight of cans or other packages to be included in weight for duty.	1½c. per lb....	2c. per lb.	2¼c. per lb....	2c. per lb.....	2c. per lb.....	.....	¼c. per lb.
Peanuts, shelled.....	1¾c. per lb....	2c. per lb.	2c. per lb.....	1c. per lb.. ..	1c. per lb.....	....	1c. per lb.
Peanuts, unshelled.....	1¼c. "	2c. "	2c. "	½c. "	½c. "	....	1½ "
Coal, bituminous, round and run of mine, including bituminous coal such as will not pass through a three-quarter inch screen.	35c. per ton...	45c. per ton. .	53c. per ton...	45c. per ton (of 2,240 lbs).	45c. per ton (of 2,000 lb).	.....	8c. per ton.

* Indicates "estimated."

STATEMENT No. 2.—PROPOSED ARRANGEMENT FOR RECIPROCITY WITH THE UNITED STATES, 1911.

STATEMENT of Articles, included in the Proposed Arrangement, entered for Home Consumption in Canada for the Year ended March 31, 1910; also showing the Estimated Amount of Reduction in Revenue.

ARTICLES.	From Great Britain.		From United States.		From British Colonies and Possessions.		From Countries accorded most Favoured Nation Treatment.		All Other Countries.		Total.		Estimated Amount of Reduction in Duties.
	Quantity.	Value.	Quantity.	Value.	Quantity.	Value.	Quantity.	Value.	Quantity.	Value.	Quantity.	Value.	
		$		$		$		$		$		$	$
Animals													
Cattle				25,150								25,150	6,287
Horses valued at $50 or less	1	25	86	3,600	88	4,385					175	8,010	2,185
Horses, N.O.P.		9,489		397,903		100				1,260		408,752	101,385
Hogs				2,140								2,140	51
Sheep				131,492								131,492	32,873
All other, N.E.S.		3,299		91,827		8				1,059		96,193	23,910
Poultry dead		4,907		52,597		3,017		102		392		61,015	11,900
Wheat ..... Bush.	281	445	54,964	55,139					25	28	55,270	55,612	6,620
Rye ..... "			1,306	1,399							1,306	1,399	131
Oats ..... "	15,578	13,449	23,361	13,833					6	5	38,945	27,287	3,430
Barley ..... "	2,561	3,093	164,532	99,810					6	5	167,099	102,908	24,937
Buckwheat ..... "			444	426			1,263	1,037			1,707	1,463	256
Pease ..... "	3,562	9,615	12,875	35,406	547	394	88	71	598	1,164	17,670	46,650	2,447
Beans ..... "	44,008	64,384	23,157	55,806	2,786	1,819	22,063	31,942	12,747	17,172	104,761	171,123	20,859
Hay ..... Tons.			7,680	141,950							7,680	141,950	15,360
Straw ..... "			89	1,880							89	1,880	178
Vegetables—Potatoes	2,383	900	215,228	179,849	1,037	898	555	449	127	64	219,330	182,160	43,729

Sweet potatoes	131	103	37,235	33,705	1,503	657	216	125	579	475	39,664	35,065	3,908
Tomatoes		1,219		165,901		468						167,588	50,108
Vegetables, N.O.P.		91,113		486,260		21,620		30,255		9,214		638,462	138,476
Melons				65,617								65,617	21,143
Fresh fruits—													
Apples				261,792								261,792	23,628
Peaches				155,139								155,139	47,970
Grapes		104,679		112,218				4,990				221,887	70,054
Blackberries, &c				210,796								210,796	50,072
Cherries				40,376								40,376	6,374
Cranberries				91,754		3						91,757	22,939
Plums				158,756								158,756	20,859
Currants				42								42	10
Quinces, apricots and pears				170,346								170,346	24,708
All other, N.O.P.		13		4,369		626				443		5,451	1,216
Dried fruits—Apples				6,461								6,461	1,615
Butter	6,161	1,514	61,081	16,163	325,100	74,992	1,000	200	240	65	393,582	92,934	15,692
Cheese	55,735	22,487	215,741	45,319	79	12	184,480	34,231	227,743	43,665	683,778	145,714	13,473
Fresh milk and cream—not in classification													
Eggs		1,234		177,577		1,837		25		10,230		190,903	23,981
Honey		1,629		20,615		6,800		216		139		29,399	9,211
Cotton seed oil		14,705		895,693				16				910,414	181,348
Flaxseed		482		4,124						4,897		9,503	192
Clover seed and timothy		770		748,742		2,374		79		14,678		766,643	75,050
Garden, fruit and other seed in packages weighing over 1 lb. ea.		14,100		250,969		645		9,199		10,892		285,805	27,518
Fish of all kinds except sardines, and fish packed in oil		75,523		532,998		6,917		24,302		31,074		670,814	101,871
Fish oil of all kinds		1,608		6,286				5,468		82		13,444	2,984
Salt		256,558		141,003		7,053		22,547		38,092		465,253	20,309
Mineral waters, natural, not in bottles					Now free in Canada								
Timber, hewn, etc.					"	"	"	"					
Sawn boards, etc.					"	"	"	"					
Paving posts, etc.					"	"	"	"					

STATEMENT of Articles, included in the Proposed Arrangement, entered for Home Consumption in Canada, &c.—*Continued.*

ARTICLES.	From Great Britain.		From United States.		From British Colonies and Possessions.		From Countries accorded most Favoured Nation Treatment.		From All Other Countries.		Totals.		Estimat Amount of Reduction in Duties.
	Quantity.	Value.	Quantity.	Value.	Quantity.	Value.	Quantity.	Value.	Quantity.	Value.	Quantity.	Value.	
		$		$		$		$		$		$	$
Wooden staves of poplar				249								249	50
Pickets and palings					Now	free	in	Canada					
Plaster, rock or gypsum, crude					"	"	"	"					
Mica, unmanufactured or rough trimmed only					Not in	Classification	of	Imports.					
Feldspar					Now	free	in	Canada					
Asbestos, not further manufactured than ground					Not in	Classification	of	Imports.					
Fluorspar					Now	free	in	Canada					
*Glycerine, crude					"	"	"	"					
Talc, ground, etc					"	"	"	"					
Sulphate of soda or salt cake					"	"	"	"					
Soda ash					"	"	"	"					
Extract of hemlock bark					"	"	"	"					
Carbon electrodes					"	"	"	"					
Brass in bars and rods, not less than six feet in length, etc		903		11,917								12,820	1,245
Cream separators, etc					Now	free	in	Canada					
Rolled iron or steel sheets, or plates number fourteen gauge or thinner, galvanized or coated with zinc, tin or other metal, or not		3,490,612		2,751,211						41,192		6,283,015	99,762

Crucible cast steel wire, valued at not less than six cents a pound		1,450		9,909						14,834		26,193	520
Galvanized iron or steel wire Nos. 9, 12 and 13 gauge					Now	free	in	Canada					
Type casting and type setting machines		117		296,662						292		297,071	59,405
Barbed wire fencing					Now	free	in	Canada					
Coke					"	"	"	"					
Rolled round wire rods in the coil, not over $\frac{3}{8}$ in. in diameter, etc					"	"	"	"					
		4,190,425		9,163,176		134,625		165,251		241,413		13,894,893	1,412,219

* For use in the manufacture of refined glycerine.

STATEMENT of Articles, included in the Proposed Arrangement,

ARTICLES.		From Great Britain.		From United States.	
		Quantity.	Value.	Quantity.	Value.
			$		$
Fresh meats, mutton lamb, etc.	Lbs.	.....	.....	716,753	68,606
Other meats, fresh	"	75,453	6,741	276,654	38,400
Bacon and hams	"	4,721	1,066	5,453,257	816,042
Beef, salted, in barrels	"	630	33	1,445,272	75,815
Pork, barrelled in brine	"	400	20	8,900,138	930,049
Meats, dried or smoked, n.o.p.	"	2,465	587	583,956	85,914
Other meats, salted, n.o.p.	"	46,846	3,682	411,864	50,101
Canned meats	"	81,796	16,230	278,682	45,114
Extracts of meats, fluid or not		.....	41,574	.....	53,705
Lard	Lbs.	5,362	679	10,915,679	1,347,887
Lard, compounds, etc.	"	246,608	25,889	634,315	62,919
Tallow	"	112,664	13,690	145,561	12,636
Egg yolk, egg albumen and blood albumen	"	.....	1,940	.....	13,437
Fish, sardines, in packages—					
Over 20 oz. and not over 36 oz		.....	5	.....	10
" 12 oz. " 20 oz		.....	2,160	.....	625
" 8 oz. " 12 oz		.....	1,914	.....	899
8 oz. or less		.....	65,239	.....	9,337
Fish, preserved in oil, n.o.p.		.....	734	.....	315
Tomatoes and other vegetables in air-tight packages		.....	16,737	.....	69,653
Rye flour		.....	.....	.....	.....
Wheat flour	Bbls.	41	202	31,398	156,001
Oat meal and rolled oats	Lbs.	8,596	372	9,260	403
Corn meal		.....	.....	.....	.....
Barley malt		.....	.....	.....	.....
Barley, pot, pearled and patent	Lbs.	267,622	15,772	47,575	1,399
Buckwheat flour or meal		.....	.....	.....	.....
Split pease, dried				No classification in-	
Prepared cereal foods, n.o.p.		.....	3,164	.....	28,841
Prepared cereal foods, in packages not exceeding 25 lbs. weight		.....	5,917	.....	212,021
Bran, middlings, etc.		.....	2,319	.....	218,222
Macaroni and vermicelli		.....	3,408	.....	37,901
Biscuits, sweetened		.....	96,029	.....	7,905
Biscuits, confectionery, etc.		.....	426,505	.....	130,623
Maple sugar and maple syrup		.....	49	.....	717
Pickles in bottles		.....	183,271	.....	17,193
Pickles in bulk		.....	7,376	.....	8,187
Sauces		.....	101,446	.....	54,438
Cherry juice and fruit juice, n.o.p.		.....	20,891	.....	18,229
Mineral water, in bottles, n.o.p.		.....	.....	.....	.....
Essential oils		.....	18,202	.....	131,989
Grape vines		.....	.....	.....	809
Gooseberry bushes		.....	1,758	.....	6,004
Raspberry bushes		.....	2	.....	2,360
Currant bushes		.....	183	.....	2,807
Farm waggons		.....	.....	.....	217,670
Ploughs		.....	888	.....	952,660
Harrows		.....	772	.....	113,814
Harvesters		.....	254	.....	165,759
Reapers		.....	.....	.....	8,350
Drills—seed		.....	119	.....	218,480
Mowers		.....	.....	.....	62,978
Horse rakes		.....	.....	.....	30,758
Cultivators and weeders		.....	141	.....	54,251
Threshing machines		.....	1,581	.....	628,218
" " parts of, including wind stackers, baggers, weighers and self-feeders therefor		.....	.....	.....	344,329
Parts of agricultural implements		.....	271	.....	280,974
Portable engines with boilers in combination and traction engines for farm purposes		.....	.....	.....	.....
Hay loaders		.....	.....	.....	25,119

entered for Home Consumption in Canada, &c.—*Continued.*

From British Colonies and Possessions.		From Countries accorded most Favoured Nation Treatment.		From All Other Countries.		Totals.		Estimated Amount of Reduction in Duties.
Quantity.	Value.	Quantity.	Value.	Quantity.	Value.	Quantity.	Value.	
	$		$		$		$	$
1,377,270	97,143					2,094,023	165,749	36,645
1,179	99					353,286	45,240	5,247
2,617	148			868	89	5,461,463	817,345	40,950
		400	16			1,446,302	75,864	10,846
10,410	825					8,910,948	930,894	66,832
73,147	5,516			4,559	403	664,127	92,420	4,935
7,451	527	266	17	7,938	649	474,365	54,976	3,370
74,261	6,271	18,284	4,045	5,944	1,054	458,967	72,714	3,899
	114		15,422		869		111,684	4,805
						10,921,041	1,348,566	81,881
184	19			1,870	162	882,977	88,989	5,398
						258,225	26,326	3,697
	267		240		1,951		17,835	349
WIN								
	229		47		149		440	1
	602		3,289		234		6,910	15
			5,084		130		8,027	90
	70		133,281		7,860		215,787	605
	665		1,275		1,380		4,369	15
	2,516		99,219		26,200		214,325	2,479
								No reduction.
14	85			5	22	31,458	156,310	3,141
						17,856	775	9
								No reduction.
								" "
						315,197	17,171	1,998
								No reduction.
cluded with pease, n.o.p.								
	71		390		508		32,974	731
	121		166		163		218,388	15,902
							220,541	10,917
	395		71,586		98,284		211,574	1,989
	235		493		2,008		106,670	203
	1,940		19,397		7,197		585,762	3,268
							766	75
	21		3,113		191		203,789	430
	116		2,145		157		17,981	204
	3,282		17,480		2,620		179,266	1,361
			1,505		400		41,025	451
								No reduction.
	386		13,155		11,273		175,005	3,299
					64		873	20
					180		7,942	150
							2,362	57
					20		3,010	70
							217,670	5,441
	9				159		953,716	47,633
							114,586	5,729
							166,013	4,150
							8,350	209
							218,599	10,924
							62,978	1,574
							30,758	1,538
							54,392	2,713
							629,799	31,411
							344,329	17,216
							281,245	7,024
								No reduction.
							25,119	1,256

STATEMENT of Articles, included in the Proposed Arrangement,

ARTICLES.		From Great Britain.		From United States.	
		Quantity.	Value.	Quantity.	Value.
			$		$
Potato diggers			997		31,228
Fodder or feed cutters					1,713
Grain crushers					661
Fanning mills					10,854
Hay tedders					736
Farm or field rollers			220		29,322
Manure spreaders					
Windmills					
Grindstones, not mounted			6,102		50,801
Freestone, granite, sandstone, limestone and all other monumental or building stone, not dressed, &c.			2,048		108,176
Roofing slates			184		72,501
Vitrified paving blocks, not ornamental or decorative			65,057		73,706
Paving blocks of stone					58,247
Oxide of iron as a colour					
Asbestos further manufactured than ground, manufactures of asbestos or articles of which asbestos is the component material of chief value			19,183		173,622
Printing ink			12,018		86,763
Cutlery, plated or not, viz.: pocket knives, scissors and shears, knives and forks for household purposes, and table steels			223,854		32,403
Bells and gongs			2,089		33,196
Brass corners and rules for printers				Not in classification.	
Basins, urinals and other plumbing fixtures, &c.			31,611		198,567
Brass band instruments			Estimated 11,000		15,934
Clocks, time recorders, clock and watch keys, clock movements and clock cases			28,556		294,982
Watches			14,820		15,081
Printers' wooden cases and cabinets for holding type				Not in classification.	
Wood flour				"	"
Canoes and small boats of wood, not power boats			1,345		24,034
Feathers, crude, not dressed			43,431		41,723
Antiseptic surgical dressing, &c			40,060		69,785
Surgical trusses, &c.			6,893		27,018
Plate glass, not bevelled, in sheets or panes, exceeding seven square feet each and not exceeding twenty-five square feet each			114,604		2,615
Motor vehicles, other than for railways and tramways, and automobiles			106,126		1,569,227
Automobiles, parts of			10,646		254,862
Iron or steel digesters for the manufacture of pulp					Not in
Musical instrument cases, fancy cases or boxes, portfolios, satchels, reticules, card cases, purses, pocket books, fly books for artificial flies, all the foregoing composed wholly or in chief value of leather			118,398		349,339
Cement, Portland and hydraulic or water lime			99,291		48,977
Trees, viz.:—Apple	No.	8,827	1,110	212,529	19,562
Cherry	"			47,503	8,165
Peach trees and June buds	"	4	8	175,841	12,072
Pear	"	532	73	38,890	4,623
Plum	"	75	10	49,856	5,612
Quince	"			1,499	286
Condensed milk			1,111		17,168
Biscuits without added sweetening			18,912		18,696
Fruit in air tight cans			36,002		55,012
Peanuts, shelled	Lbs. estimated	3,401	128	565,500	30,432
Peanuts, unshelled	" "			1,667,000	86,538
Coal, bituminous, round and run of mine, etc		37,071	91,212	5,690,576	11,441,129
			2,196,911		23,196,341

entered for Home Consumption in Canada, &c.—*Continued.*

From British Colonies and Possessions.		From Countries accorded most Favoured Nation Treatment.		From all Other Countries.		Totals.		Estimated Amount of Reduction in Duties.
Quantity.	Value.	Quantity.	Value.	Quantity.	Value.	Quantity.	Value.	
	$		$		$		$	$
							32,225	1,561
							1,713	86
							661	33
							10,854	543
							736	36
							29,542	1,466
								No reduction.
								"
							56,903	1,000
	406				367		110,997	2,714
					157		72,842	3,743
							138,763	3,685
							58,247	1,456
								No reduction.
			2,303		3,602		198,710	4,393
	1		644		368		99,794	2,169
	3		1,479		18,574		276,313	810
			716		965		36,966	830
	4		10		65		230,257	4,964
			14,030		5,879		46,843	398
			19,376		70,220		413,134	7,374
			25,622		646		56,169	377
	74				32		25,485	500
	4		7,148		161		92,467	1,043
			797		81		110,723	1,744
			1,347		548		35,806	675
			8,963		52,263		178,445	65
			55,833		1,029		1,732,215	78,461
			1,820		2,258		269,586	12,743
Classification.								
	92		20,988		70,379		559,196	12,312
			1,268		9,504		159,040	2,289
						221,356	20,672	1,062
						47,503	8,165	237
						175,845	12,080	879
						39,422	4,696	194
						49,931	5,622	249
						1,499	286	7
	132		158				18,569	2,970
	362		2,142		131		40,243	1,060
	33,052		14,952		1,154		140,172	2,414
1,386	25	210,298	9,356	316,376	14,287	1,096,961	54,228	5,655
						1,667,000	86,538	25,005
						5,727,647	11,532,341	455,246
	155,827		580,317		417,046		26,546,442	1,095,605

STATEMENT OF Articles, included in the Proposed Arrangement, entered for Home Consumption in Canada, &c.—*Concluded.*

RECAPITULATION.

IMPORTS INTO CANADA.

	From Great Britain.	From United States.	From British Colonies and Possessions.	From Countries accorded most Favoured Nation Treatment.	From All other Countries.	Totals.
	$	$	$	$	$	$
Schedule A	4,190,425	9,163,176	134,625	165,254	241,413	13,894,893
" B. and D	2,196,911	23,196,341	155,827	580,317	417,046	26,546,442
	6,387,336	32,359,517	290,452	745,571	658,459	40,441,335

RECAPITULATION.

Estimated Amount of Reduction in Duties on Imports into Canada.

On Imports From	Schedule A.	Schedule B & D.	Totals.
	$	$	$
Great Britain	62,829	5,024	67,853
British Colonies and Possessions	29,212	21,432	50,644
Countries accorded most Favored Nation Treatment	24,567	997	25,564
United States	1,295,611	1,068,152	2,363,763
Totals	1,412,219	1,095,605	2,507,824

STATEMENT No. 3—WOOD PULP AND PAPER.

—	From G. Britain	From U. States.	From British Colonies and Possess'ns.	From Countries accorded Most Favored Nation Treatment.	From Other Countries.	Total.	Estimated reduction in Customs duties.
	$	$	$	$	$	$	$
Wood pulp	1,112	30,627	.....	1,623	.....	33,362	8,341
Printing paper (for newspapers) valued at not more than 2¼c. per lb	.....	41	.....	.....	.....	41	6
Printing paper, n.o.p	1,171	234,699	.....	2,434	1,995	240,299	59,676
Wrapping paper	1,576	57,706	52	20,111	3,710	83,155	19,848
Paper of all kinds, n.o.p., valued at 4c. per lb. or less (estimated)	3,443	231,233	6	20,250	19,061	273,993	67,900
	7,302	554,306	58	44,418	24,766	630,850	155,771

ESTIMATED REDUCTION OF CUSTOMS DUTIES ON WOOD PULP AND PAPER.

From Great Britain	$ 1,529
From countries accorded Most Favored Nation Treatment	6,582
From United States	147,660
	$ 155,771

STATEMENT No. 4.

TABLE B.—Showing articles included in the reciprocal agreement between the United States and Canada on which customs duties are to be remitted by the United States.

(Compiled from advance sheets of Tables 3 and 15 of Commerce and Navigation. Fiscal Year, 1910, by the Bureau of Trade Relations. Department of State. Washington, D.C.).

Articles.	To be remitted by the United States.
	$
Live animals:	
Cattle, less than 1 year old	27,443
Cattle, other, valued not more than $14 per head	
Cattle, valued more than $14 per head	
Horses and mules, valued at $150 or less per head	121,140
Horses and mules, valued at over $150 per head	
Swine	308
Sheep, 1 year old or over	103,519
Sheep, less than 1 year old (lambs)	
All other live animals	23,736
Poultry, alive	
Poultry, dead	894
Wheat	38,096
Rye	5
Oats	141,972
Barley	726
Buckwheat	24,596
Peas, dried	58,140
Beans, edible, dried	3,825
Corn, sweet corn or maize (except into Canada for distillation)	654
Hay	386,028
Straw	10,043
Cowpeas	
Fresh vegetables:	
Sweet potatoes and yams	24,285
Potatoes	
Onions	976
Turnips	160,570
Cabbages	
All others, not elsewhere specified	
Fresh fruits:	
Grapes, green or ripe	868
Apples "	10,963
Peaches "	
Pears "	
Berries, cranberries	
Berries, other edible	40,131
All other edible fruits in their natural state (except citrus fruits and pineapples)	
Dried fruits:	
Apples, peaches, pears, and apricots, dried, desiccated or evaporated	24,182
Dairy products:	
Butter	58,802
Cheese	9,801
Fresh milk	234
Fresh cream	36,588
Eggs of barnyard fowl, in the shell	1,991
Honey	102
Cottonseed oil	
Seeds:	
Flaxseed or linseed	352,600
Cotton seed	

Articles.	To be remitted by the United States.
	$
Other oil seeds	
Grass seed, including timothy and clover seed	
Garden, field and other seed, not herein otherwise provided for, when in packages weighing over 1 pound each (not including flower seeds)	558
Fish of all kinds:	
Fresh-water fish	79,603
Herring, fresh	
Mackerel, halibut or salmon, fresh frozen, or packed in ice	106,065
Eels and smelts, fresh or frozen	
All other fish, fresh, frozen or packed in ice	
Cod, haddock, hake, and pollock, dried, smoked, salted and pickled	128,138
Herring, pickled or salted, smoked or kippered	38,601
Mackerel, pickled or salted	32,560
Halibut or salmon, pickled or salted	84,696
Fish, skinned or boned	
Fish, all other, smoked, dried, salted, pickled, or otherwise prepared for preservation, not specially provided for	
Fish, in tin cans, barrels, etc.	
Caviar, and other preserved fish roe	
Shell fish of all kinds, including oysters, lobsters, and clams in any state, fresh or packed, and coverings of foregoing	
Seal, herring, whale, and other fish oil, including cod oil	47,819
Cod liver oil	
Salt, in bags, sacks, barrels, or other packages	1,734
Salt, in bulk	
Mineral waters, natural, not in bottles or jugs	168
Timber, hewn, sided or squared otherwise than by sawing, and round timber used for spars or in building wharves	586
Sawed boards, planks, deals and other lumber, not further advanced than sawed:	
Of whitewood, sycamore, and basswood	3,654
Of other woods	1,219,970
Paving posts, railroad ties, and telephone, trolley, electric light, and telegraph poles of cedar or other woods	99,420
Wooden staves of all kinds, not further manufactured than listed or jointed, and stave bolts	
Pickets and palings	

TABLE B.—Showing articles included in the reciprocal agreement between the United States and Canada on which customs duties are to be remitted by the United States.

Articles.	To be remitted by the United States.	Articles.	To be remitted by the United States.
	$		$
Plaster rock or gypsum, crude, not ground	101,493	Fresh meats, viz.: beef, veal, mutton, lamb, pork, and all other fresh or refrigerated meats, excepting game	
Mica:		Bacon and hams, not in tins or jars	
Unmanufactured, or rough trimmed only	110,013	Meats of all kinds, dried, smoked, salted, in brine, or prepared or preserved in any manner, not otherwise herein provided for	
Ground or bolted		Canned meats and canned poultry	4,236
Feldspar:		Extract of meat:	
Crude	3,598	Fluid	
Powdered or ground		Not fluid	
Asbestos, crude		Lard	
Fluorspar, crude, not ground		Lard compounds	
Glycerin, crude, not purified		Cottolene, and cotton stearine, and animal stearine	
Talc, ground, bolted or precipitated, naturally or artificially, not for toilet use		Tallow	
Sulphate of soda, or salt cake		Egg yoke	
Soda ash		Egg albumen and blood albumen	
Extract of hemlock bark		Fish (except shellfish) by whatever name known, packed in oil, in tin boxes or cans, including the weight of the package:	
Carbon electrodes	547	(*a*) When weighing over 20 ounces and not over 36 ounces each	
Brass in bars and rods, in coil or otherwise, not less than 6 feet in length, or brass in strips, sheets, or plates, not polished, planished or coated		(*b*) When weighing over 12 ounces and not over 20 ounces	
Cream separators of every description, and parts thereof imported for repair of the foregoing		(*c*) When weighing 12 ounces each or less	61
Rolled iron or steel sheets, or plates, No. 14 gauge or thinner, not galvanized or coated with zinc, tin or other metal	1,085	(*d*) When weighing 36 ounces each or more, or when packed in oil in bottles, jars, or kegs	
Rolled iron or steel sheets, or plates No. 14 gauge or thinner, galvanized or coated with zinc, tin, or other metal	3,308	Tomatoes and other vegetables, including corn, in cans or other air-tight packages, and including the weight of the package	8,898
Crucible cast steel wire, valued at not less than 6 cents per pound		Wheat flour and semolina	97,177
Galvanized iron or steel wire, curved or not, Nos. 9, 12 and 13 gauge		Rye flour	
Type-casting and type-setting machines and parts thereof, adapted for use in printing offices		Oatmeal and rolled oats, including the weight of paper covering	285
Barbed fencing wire of iron or steel, galvanized or not		Corn meal	
Coke	43,906	Barley malt	
Rolled round wire rods in the coil, or iron or steel, not over $\frac{3}{8}$ of an inch in diameter, and not smaller than No. 6 wire gauge		Barley, pot, pearled, and patent	
Pulp of wood:		Buckwheat flour or meal	18
Mechanically ground	133,515	Split pease, dried	17,989
Chemical, unbleached	125,744	Prepared cereal foods, not otherwise provided for herein	447
Chemical, bleached	48,363	Bran, middlings and other offals of grain used for animal food	24,261
News print paper and other paper, and paper board, manufactured from mechanical wood pulp, or of which such pulp is the component material of chief value, coloured in the pulp, or not coloured, and valued at not more than 4 cents per pound, not including printed or decorated wall paper	164,686	Macaroni and vermicelli	30
		Biscuits, wafers, and cakes, when sweetened with sugar, honey, molasses or other material	52
		Biscuits, wafers, cakes and other baked articles composed in whole or in part of eggs or any kind of flour or meal when combined with chocolate, nuts, fruits or confectionery	
		Candied peel, candied popcorn, candied nuts, candied fruits	
		Sugar candy and confectionery of all kinds	32
Total Schedule A	4,236,988	Maple sugar and maple syrup	53,479

TABLE B.—Showing articles included in the reciprocal agreement between the United States and Canada on which customs duties are to be remitted by the United States.

Articles.	To be remitted by the United States.	Articles.	To be remitted by the United States.
	$		$
Mineral waters and imitations of natural mineral waters, in bottles or jugs	764	Brass band instruments	
Essential oils	115	Clocks, watches, time recorders, clock and watch keys, clock cases, and clock movements	136
Grape vines, gooseberry, raspberry and currant bushes		Printers' wooden cases and cabinets for holding type	
Pickles, including pickled nuts, sauces of all kinds, and fish paste or sauce	17	Wood flour	
Cherry juice and prune juice, or prune wine, and other fruit juices, and fruit syrup, non-alcoholic		Canoes and small boats of wood, not power boats	
Farm wagons, and finished parts thereof		Feathers, crude, not dressed, colored, or otherwise manufactured	98
Plows, tooth and disc harrows, harvesters, reapers, agricultural drills and planters, mowers, horse rakes, cultivators, thrashing machines, including wind stackers, baggers, weighers and self-feeders therefor, and finished parts thereof, imported for repair of foregoing	5,596	Automobiles and parts of, not including rubber tires	10,461
Portable engines with boilers, in combination, horsepower and traction engines, for farm purposes		Iron or steel digesters for the manufacture of wood pulp	
Hay loaders, potato diggers, fodder or feed cutters, grain crushers, fanning mills, hay tedders, farm or field rollers, manure spreaders, weeders, and windmills, and finished parts thereof imported for repair of foregoing, except shafting	2,500	Musical instrument cases, fancy cases or boxes, portfolios, satchels, reticules, card cases, purses, pocketbooks, fly books for artificial flies, all the foregoing composed wholly or in chief value of leather	4,092
Grindstones of sandstone, not mounted, finished or not	575	Total Schedule B	$234,984
Freestone, granite, sandstone, limestone, and all other monumental or building stone, except marble, breccia, and onyx, unmanufactured or not dressed, hewn or polished	3,479		
Roofing slates			
Paving blocks of stone			
Vitrified paving block, not ornamented or decorated in any manner			
Oxide of iron, as a color	50		
Asbestos further manufactured than ground; manufactures of asbestos, or articles of which asbestos is the component material of chief value. Woven fabrics wholly or in chief value of asbestos.	3		
Printing ink	4		
Cutlery, plated or not, viz., pocketknives, penknives, scissors and shears, knives and forks for household purposes, and table steels	129		
Bells and gongs			
Brass corners and rules for printers			
Basins, urinals, and other plumbing fixtures for bathrooms and lavatories, bathtubs, sinks, and laundry tubs of earthenware, stone, cement, or clay, or other material			
		Aluminum in crude form	83,502
		Aluminum in plates, sheets, bars, and rods	
		Laths	72,182
		Shingles	152,559
		Sawed boards, planks, deals, and other lumber, planed or finished on one side.	
		Planed or finished on one side and tongued and grooved, or planed or finished on two sides.	68,108
		Planed or finished on three sides, or planed and finished on two sides and tongued and grooved.	
		Planed and finished on four sides.	
		Iron ore, including manganiferous iron ore, and the dross or residuum from burnt pyrites	1,610
		Coal slack or culm of all kinds, such as will pass through a half-inch screen	
		Total Schedule C	$377,961
		Recapitulation.	
		Schedule A	4,236,988
		Schedule B	234,984
		Schedule C	377,961
		Grand total	$4,849,933

STATEMENT No. 5.—Statement of Articles included in the Proposed Arrangement Exported from Canada, during the Year ended March 31, 1910.

ARTICLES EXPORTED.	COUNTRIES.	GOODS, THE PRODUCE OF CANADA.		GOODS, NOT THE PRODUCE OF CANADA.		TOTAL EXPORTS.	
		Quantity.	Value.	Q'ty.	Value.	Quantity.	Value.
		No.	$	No.	$	No.	$
ANIMALS AND THEIR PRODUCE.							
Animals, viz.:—							
Horses, one year old or less	Newfoundland	1	30			1	30
	United States	20	6,215			20	6,215
	Total	21	6,245			21	6,245
Horses, over one year old	Great Britain	584	66,815	47	21,400	631	88,215
	Australia			7	700	7	700
	Bermuda	41	7,455			41	7,455
	B. Guiana	1	350			1	350
	B. W. Indies	46	9,219			46	9,219
	Newfoundland	181	16,577			181	16,577
	St. Pierre	2	235			2	235
	United States	1,886	446,971	1,589	466,937	3,475	913,908
	Total	2,741	547,622	1,643	489,037	4,384	1,036,659
Cattle, one year old or less	Bermuda	1	10			1	10
	Newfoundland	19	112			19	112
	St. Pierre	242	733			242	733
	United States	1,797	23,679	2	10	1,799	23,689
	Total	2,059	24,534	2	10	2,061	24,544
Cattle, over one year old	Great Britain	140,424	9,979,918			140,424	9,979,918
	Bermuda	828	48,527			828	48,527
	B. Africa	1	80			1	80
	B. W. Indies	1	100			1	100
	Newfoundland	3,032	102,300			3,032	102,300
	Mexico	10	2,600			10	2,600
	St. Pierre	618	15,102			618	15,102
	United States	10,413	618,995	14	1,000	10,427	619,995
	Total	155,327	10,762,622	14	1,000	155,341	10,768,622
Swine	Bermuda	10	31			10	31
	B. W. Indies	2	45			2	45
	Newfoundland	45	142			45	142
	St. Pierre	128	1,538			128	1,538
	United States	205	6,088	8	119	213	6,207
	Total	390	7,844	8	119	398	7,963
Sheep, one year old or less	Newfoundland	111	457			111	457
	St. Pierre	311	540			311	540
	United States	87,814	415,912	1	50	87,815	415,962
	Total	88,236	416,909	1	50	88,237	416,959

STATEMENT of Articles included in the Proposed Arrangement, &c.—*Continued.*

ARTICLES EXPORTED.	COUNTRIES.	GOODS, THE PRODUCE OF CANADA.		GOODS, NOT THE PRODUCE OF CANADA.		TOTAL EXPORTS.	
		Quantity.	Value.	Q'ty.	Value.	Quantity.	Value.
ANIMALS, ETC.—*Con.*		Lbs.	$	Lbs.	$	Lbs.	$
Sheep, over one year old..	Great Britain...	1,828	11,441	.....	.....	1,828	11,441
	Bermuda.....	823	6,416	.....	.....	823	6,416
	B. Africa.....	92	552	.....	.....	92	552
	B.W.Indies ...	319	2,618	.....	.....	319	2,618
	Newfoundland..	2,409	12,558	.....	.....	2,409	12,558
	St. Pierre.....	865	3,479	.....	.....	865	3,479
	United States...	16,535	153,767	814	17,875	17.349	171,642
	Total	22,871	190,831	814	17,875	23,685	208,706
Poultry.....	Great Britain...	.....	155	.....	.....	.....	155
	Australia.....	.....	20	.....	.....	.....	20
	Bermuda.....	.....	404	.....	.....	.....	404
	B. Guiana	.....	140	.....	.....	.....	140
	B.W.Indies....	.....	275	.....	.....	.....	275
	B.Poss., other..	.....	3	.....	.....	.....	3
	Newfoundland..	.....	7,828	.....	.....	.....	7,828
	St. Pierre	.....	557	.....	.....	.....	557
	United States...	.....	111,241	.....	1,073	.....	112,314
	Total	.....	120,623	.....	1,073	.....	121,696
Poultry, dressed or undressed.....	Great Britain...	.....	26,730	.....	.....	.....	26,730
	Bermuda.. ...	.....	85	.....	.....	.....	85
	B.W.Indies....	.....	60	.....	.....	.....	60
	Newfoundland..	.....	1,692	.....	.....	.....	1,692
	St. Pierre.....	.....	289	.....	.....	.....	289
	United States...	.....	3,576	.....	577	.....	4,153
	Total	.....	32,432	.....	577	.....	33,009
Other.....	Great Britain...	.....	583	.....	40	.....	623
	Australia.....	.....	150	.....	.....	.....	150
	Newfoundland..	.....	35	.....	.....	.....	35
	New Zealand ...	.....	2,500	.....	.....	.....	2,500
	United States...	.....	22,473	.....	14,720	.....	37,193
	Total	.....	25,741	.....	14,760	.....	40,501
AGRICULTURAL PRODUCTS.							
Wheat	Great Britain...	Bush. 46,589,228	49,267,736	Bush. 8,801,313	9,271,036	Bush. 55,390,541	58,538,772
	Bermuda..	10	10	.....	.....	10	10
	B. Africa.....	105,471	113,057	1,200	1,500	106,671	114,557
	B.W.Indies....	25	24	.....	.....	25	24
	Belgium.....	547,346	610,348	1,005,057	1,043,557	1,552,403	1,653,905
	France.....	223,309	256,804	8,000	8,000	231,309	264,804
	Germany	72,000	93,000	259,428	289,438	331,428	382,438
	Holland.....	270,157	299,938	183,986	183,986	454,143	483,924
	Italy	.....	.....	430,919	430,919	430,919	430,919
	Mexico.....	77,623	84,787	.....	.....	77,623	84,787
	United States...	1,856,181	1,883,647	.....	.....	1,856,181	1,883,647
	Total	49,741,350	52,609,351	10,689,903	11,228,436	60,431,253	63,837,787

STATEMENT of Articles included in the Proposed Arrangement, &c.—*Continued.*

ARTICLES EXPORTED.	COUNTRIES.	GOODS, THE PRODUCE OF CANADA.		GOODS, NOT THE PRODUCE OF CANADA.		TOTAL EXPORTS.	
		Quantity.	Value.	Q'ty.	Value.	Quantity.	Value.
AGRICULTURAL PRODUCTS —*Con.*		Bush.	$	Bush.	$	Bush.	$
Rye	Great Britain	42,113	28,208	51,293	46,163	93,406	74,371
	New Zealand	20	40			20	40
	Belgium	15,809	11,390			15,809	11,390
	Holland	1,124	918			1,124	918
	Mexico	35,601	36,755			35,601	36,755
	United States	10,388	7,347			10,388	7,347
	Total	105,055	84,658	51,293	46,163	156,348	130,821
Oats	Great Britain	1,024,491	508,300			1,024,491	508,300
	Bermuda	98,371	47,905			98,371	47,905
	B. Africa	1,690	741			1,690	741
	B Guiana	11,383	5,507			11,383	5,507
	B. W. Indies	165,423	77,677			165,423	77,677
	Newfoundland	256,477	123,845	68	45	256,545	123,890
	Cuba	265,239	134,408	3,616	2,423	268,855	136,831
	Mexico	10,681	5,508			10,681	5,508
	Panama	500	255			500	255
	Philippines	279,461	126,752			279,461	126,752
	St. Pierre	2,354	1,034			2,354	1,034
	United States	1,285,660	534,680	24	12	1,285,684	534,692
	Total	3,401,730	1,566,612	3,708	2,480	3,405,438	1,569,092
Barley	Great Britain	1,431,922	744,470	8,500	6,800	1,440,422	751,270
	Bermuda	43	54			43	54
	B. W. Indies	5	8			5	8
	Newfoundland	115	71			115	71
	Belgium	183,752	114,042			183,752	114,042
	Germany	54,380	32,628			54,380	32,628
	Holland	129,858	78,579			129,858	78,579
	Mexico	97,230	71,272			97,230	71,272
	United States	147,596	66,608			147,596	66,608
	Total	2,044,901	1,107,732	8,500	6,800	2,053,401	1,114,532
Buckwheat	Great Britain	522,606	306,352			522,606	306,352
	B. Africa	847	449			847	449
	Newfoundland	40	24			40	24
	Belgium	104,877	59,903			104,877	59,993
	Germany	14,977	10,213			14,977	10,213
	Holland	116,234	68,890			116,234	68,890
	United States	163,971	90,820			163,971	90,820
	Total	923,552	536,741			923,552	536,741
Beans	Great Britain	4	9			4	9
	Australia	700	1,680			700	1,680
	Bermuda	845	1,130	182	287	1,027	1,417
	B. Guiana	85	239	15	30	100	269
	B. W. Indies	282	364	4	4	286	368
	Newfoundland	192	343	875	1,427	1,067	1,770
	Cuba	1,470	3,100			1,470	3,100
	Dan. W. Indies	35	68			35	68
	France	1,038	2,062			1,038	2,062
	United States	12,778	24,663	129	245	12,907	24,908
	Total	17,429	33,658	1,205	1,993	18,634	35,651

STATEMENT of Articles included in the Proposed Arrangement, &c.—*Continued.*

ARTICLES EXPORTED.	COUNTRIES.	GOODS, THE PRODUCE OF CANADA.		GOODS, NOT THE PRODUCE OF CANADA.		TOTAL EXPORTS.	
		Quantity.	Value.	Q'ty.	Value.	Quantity.	Value.
AGRICULTURAL PRODUCTS —*Con.*		Bush.	$	Bush.	$	Bush.	$
Pease, whole	Great Britain	166,201	195,178			166,201	195,178
	Bermuda	53	98			53	98
	B. Africa	525	698			525	698
	B. Guiana	20	26			20	26
	B. W. Indies	23,514	27,950			23,514	27,950
	Newfoundland	13,464	16,068			13,464	16,068
	Belgium	5,783	4,664			5,783	4,664
	Dan. W. Indies	22	27			22	27
	France	20,439	63,728			20,439	63,728
	Germany	120	180			120	180
	U.S.of Colombia	58	75			58	75
	United States	232,560	273,956			232,560	273,956
	Total	462,759	582,648			462,759	582,648
Indian corn	Great Britain	228	186	135,794	107,360	136,022	107,546
	Australia	2	3			2	3
	Bermuda	17	16			17	16
	B. Africa	158	110	1,008	733	1,166	843
	B. Guiana	40	15			40	15
	B. W. Indies	427	276	36	30	463	306
	Newfoundland	889	290			889	290
	Cuba	375	375			375	375
	France	67	131			67	134
	Germany			125,521	114,567	125,521	114,567
	Holland			206,909	145,282	206,909	145,282
	Mexico	60	113			60	113
	St. Pierre	260	209			260	209
	United States	3,358	2,994			3,358	2,994
	Total	5,881	4,721	469,268	367,972	475,149	372,693
		Tons.		Tons.		Tons.	
Hay	Great Britain	87,871	922,718			87,871	922,718
	Bermuda	1,299	17,679			1,299	17,679
	B. Africa	58	688			58	688
	B. Guiana	135	1,719			135	1,719
	B. W. Indies	1,321	17,232			1,321	17,232
	Newfoundland	3,069	35,453			3,069	35,453
	Belgium	3,212	31,699			3,212	31,699
	Cuba	4,000	62,806			4,000	62,806
	France	350	5,580			350	5,580
	Germany	351	3,127			351	3,127
	Holland	2,764	27,906			2,764	27,906
	Mexico	173	1,750			173	1,750
	Norway	10	80			10	80
	Panama	20	280			20	280
	St. Pierre	338	3,912			338	3,912
	United States	86,127	673,220	32	2,623	86,159	675,843
	Total	191,098	1,805,849	32	2,623	191,130	1,808,472
Straw	Great Britain	50	542			50	542
	Bermuda	52	411			52	411
	B. Africa	4	26			4	26
	Newfoundland	111	836			111	836
	St. Pierre	5	37			5	37
	United States	4,789	24,081			4,789	24,081
	Total	5,011	25,933			5,011	25,933

STATEMENT of Articles included in the Proposed Arrangement, &c.—*Continued.*

ARTICLES EXPORTED.	COUNTRIES.	GOODS, THE PRODUCE OF CANADA.		GOODS, NOT THE PRODUCE OF CANADA.		TOTAL EXPORTS.	
		Quantity.	Value.	Q'ty.	Value.	Quantity.	Value.
AGRICULTURAL PRODUCTS —*Con.*		Bush.	$	Bush.	$	Bush.	$
Potatoes	Great Britain	201	259			201	259
	Bermuda	53,892	29,429			53,892	29,429
	B. Africa	45	50			45	50
	B. Guiana	71,212	54,646	1,540	736	72,752	55,382
	B. W. Indies	67,412	49,578	630	361	68,042	49,939
	B. Poss., other	138	138			138	138
	Fiji Islands	4,916	3,357			4,916	3,357
	Newfoundland	81,702	27,509			81,702	27,509
	China	500	275			500	275
	Cuba	934,065	605,893	2,030	787	936,095	606,680
	Dan. W. Indies	25	20			25	20
	Dutch Guiana	5,042	4,034			5,042	4,034
	Mexico	3,463	2,859			3,463	2,859
	Panama	3,024	1,868			3,024	1,868
	Porto Rico	1,463	897			1,463	897
	St. Pierre	16,708	5,249			16,708	5,249
	U.S. of Colombia	1,155	1,303			1,155	1,303
	United States	678,632	345,903	809	3,201	679,441	349,104
	Total	1,923,595	1,133,267	5,009	5,085	1,928,604	1,138,352
Turnips	Bermuda	1,217	550			1,217	550
	B. Guiana	21	22			21	22
	B. W. Indies	29	11			29	11
	Newfoundland	9,553	1,440			9,553	1,440
	Cuba	33	17			33	17
	Dan. W. Indies	13	10			13	10
	St. Pierre	3,806	573			3,806	573
	United States	1,268,538	173,933			1,268,538	173,933
	Total	1,283,210	176,556			1,283,210	176,556
Vegetables—							
All other	Great Britain		6,613				6,613
	Bermuda		845		130		975
	B. Guiana		127				127
	B. W. Indies		363				363
	B. Poss., other		49				49
	Fiji Islands		217		634		851
	Newfoundland		6,972		78		7,050
	Cuba		673				673
	Mexico				6		6
	Porto Rico		50				50
	St. Pierre		858		54		912
	United States		150,078		1,796		151,874
	Total		166,845		2,698		169,543
		Brls.		Brls.		Brls.	
Apples, green or ripe	Great Britain	1,523,901	4,184,878			1,523,901	4,184,878
	Australia	1,344	8,673			1,344	8,673
	Bermuda	2,240	6,369			2,240	6,369
	B. Africa	3,892	13,509			3,892	13,509
	B. E. Indies	1	4			1	4
	B. Guiana	96	289			96	289
	B. W. Indies	502	1,182			502	1,182
	B. Poss., other	3	14			3	14
	Fiji Islands	28	200			28	200
	Hong Kong	4	21			4	21
	Newfoundland	10,385	28,557			10,385	28,557
	Belgium	339	1,017			339	1,017
	China	49	324			49	324

STATEMENT of Articles included in the Proposed Arrangement, &c.—*Continued.*

ARTICLES EXPORTED.	COUNTRIES.	GOODS, THE PRODUCE OF CANADA.		GOODS, NOT THE PRODUCE OF CANADA.		TOTAL EXPORTS.	
		Quantity.	Value.	Q'ty.	Value.	Quantity.	Value.
AGRICULTURAL PRODUCTS —*Con.*		Bush.	$	Bush.	$	Bush.	$
Apples, green, &c.—*Con.*	Cuba	4,607	14,616			4,607	14,616
	Denmark	2,653	7,419			2,653	7,419
	Germany	78	216			78	216
	France	1,252	3,793			1,252	3,793
	Hawaii		2				2
	Holland	645	2,315			645	2,315
	Italy	1	5			1	5
	Japan	4	24			4	24
	Mexico	14	55			14	55
	Sweden	4,112	11,466			4,112	11,466
	St. Pierre	55	168			55	168
	United States	48,272	132,810	193	636	48,465	133,446
	Total	1,604,477	4,417,926	193	636	1,604,670	4,418,562
Berries of all kinds	Bermuda		12				12
	B. Africa		17				17
	Newfoundland		223				223
	St. Pierre		49				49
	United States		148,676		22,589		171,265
	Total		148,977		22,589		171,566
Fruits, all other, N.E.S.	Great Britain		33,089		2,129		35,218
	Australia		998				998
	Bermuda		71		49		120
	B. Africa		28				28
	B. W. Indies		7				7
	B. Poss., other		32		47		79
	Fiji Islands				1,283		1,283
	Hong Kong				3		3
	Newfoundland		3,316		10,211		13,527
	Belgium		20,952				20,952
	China				10		10
	France		19,482				19,482
	Germany		13,323				13,323
	Hawaii				95		95
	Holland		28,490				28,490
	Japan		1		2		3
	St. Pierre		83		140		223
	United States		35,382		66,858		102,240
	Total		155,254		80,827		236,081
Apples, dried	Great Britain	Lbs. 1,363,656	86,084	Lbs.		Lbs. 1,363,656	86,084
	Bermuda	150	9			150	9
	B. W. Indies	20	2			20	2
	B. Poss., other	50	3			50	3
	Newfoundland	50,145	3,365			50,145	3,365
	Belgium	302,686	19,596			302,686	19,596
	Denmark	53,000	3,563			53,000	3,563
	France	197,594	11,597			197,594	11,597
	Germany	1,226,195	89,069			1,226,195	89,069
	Holland	3,682,640	234,766			3,682,640	234,766
	St. Pierre	50	5			50	5
	Sweden	101,700	6,800			101,700	6,800
	United States	1,209,098	88,342	75	8	1,209,173	88,350
	Total	8,186 ,984	543,201	75	8	8,187,059	543,209

STATEMENT of Articles included in the Proposed Arrangement, &c.—*Continued.*

ARTICLES EXPORTED.	COUNTRIES.	GOODS, THE PRODUCE OF CANADA.		GOODS, NOT THE PRODUCE OF CANADA.		TOTAL EXPORTS	
		Quantity.	Value.	Q'ty.	Value.	Quantity.	Value.
AGRICULTURAL PRODUCTS —*Con.*		Lbs.	$	Lbs.	$	Lbs.	$
Butter	Great Britain	2,595,357	587,493			2,595,357	587,493
	Australia			56	15	56	15
	Bermuda	171,800	43,638			181,800	43,638
	B. Africa	7,840	1,873			7,840	1,873
	B. Guiana	33,654	9,497	2,483	675	36,137	10,172
	B. Honduras	1,712	544			1,712	544
	B. W. Indies	277,771	76,026	30,713	7,820	308,484	83,846
	Newfoundland	236,020	50,074			236,020	50,074
	Cent. Am. States	8,086	2,590			8,086	2,590
	Corea	50	15			50	15
	Cuba	95	22			95	22
	Dan. W. Indies	19,126	4,697			19,126	4,697
	Dutch Guiana	144	48			144	48
	Germany	59,884	9,777			59,884	9,777
	Japan	3,800	1,002			3,800	1,002
	Mexico	3,036	936			3,036	936
	Panama	21,744	7,320			21,744	7,320
	St. Pierre	68,808	14,036			68,808	14,036
	U.S. of Colombia	2,616	832			2,616	832
	United States	1,103,837	199,854	7,488	2,114	1,111,325	201,968
	Total	4,615,380	1,010,274	40,740	10,624	4,656,120	1,020,898
		Lbs.	$	Lbs.	$	Lbs.	$
Cheese	Great Britain	179,937,468	21,481,566			179,937,468	21,481,566
	Australia	669	171			669	171
	Bermuda	82,446	11,385			82,446	11,385
	B. Africa	114,931	16,425			114,931	16,425
	B. Guiana	34,840	5,232			34,840	5,232
	B. W. Indies	182,822	24,035			183,822	24,035
	B. Poss., other	21	3			21	3
	Hong Kong	2,438	733			2,438	733
	Malta	6,998	1,008			6,998	1,008
	Newfoundland	309,720	36,912			309,720	36,912
	New Zealand	2,749	1,267			2,749	1,267
	China	1,485	756			1,485	756
	Corea	40	5			40	5
	Cuba	120	17			120	17
	Dan. W. Indies	17,567	2,453			17,567	2,453
	Germany	880	102			880	102
	Japan	6,665	1,208			6,665	1,208
	Mexico	642	108			642	108
	St. Pierre	1,895	311			1,895	311
	United States	154,490	23,995	215,481	39,314	369,971	63,309
	Total	180,859,886	21,607,692	215,481	39,314	181,075,367	21,647,006
Milk and cream (not in classification).							
		Doz.		Doz.		Doz.	
Eggs	Great Britain	33,465	9,333			33,465	9,333
	Bermuda	10,700	2,799			10,700	2,799
	B. Guiana	60	17			60	17
	B. W. Indies	2,196	527			2,196	527
	Newfoundland	20,947	5,576			20,947	5,576
	China	625	131			625	131
	Cuba	44,100	9,308			44,100	9,308
	Mexico	270	65			270	65
	St. Pierre	12,555	2,459			12,555	2,459
	United States	35,732	11,551	4,185	2,345	39,917	13,896
	Total	160,650	41,766	4,185	2,345	164,835	44,111

STATEMENT of Articles included in the Proposed Arrangement, &c.—*Continued.*

ARTICLES EXPORTED.	COUNTRIES.	GOODS, THE PRODUCE OF CANADA.		GOODS, NOT THE PRODUCE OF CANADA.		TOTAL EXPORTS.	
		Quantity.	Value.	Q'ty.	Value.	Quantity.	Value.
AGRICULTURAL PRODUCTS.		Lbs.	$	Lbs.	$	Lbs.	$
Honey	Great Britain	957	115			957	115
	United States	4,700	506			4,700	506
	Total	5,657	621			5,657	621
Cotton seed oil (not in classification).							
		Bush.		Bush.		Bush.	
Seeds—							
Clover	Great Britain	31,236	237,514			31,236	237,514
	Australia	336	3,025			336	3,025
	Hong Kong	3	15			3	15
	Newfoundland		2				2
	New Zealand	4,172	33,653			4,172	33,653
	Belgium	141	900			141	900
	Denmark	823	6,814			823	6,814
	France	684	4,904			684	4,904
	Germany	15,602	118,343			15,602	118,343
	Holland	1,122	8,322			1,122	8,322
	Russia	889	7,047			889	7,047
	Sweden	188	1,483			188	1,483
	United States	57,565	422,272	5	33	57,570	422,305
	Total	112,761	844,294	5	33	112,766	844,327
Flax	Great Britain	1,476,769	2,796,502			1,476,769	2,796,502
	Belgium	52,267	77,530			52,267	77,530
	France	934	2,000			934	2,000
	Holland	17,939	25,095			17,939	25,095
	United States	449,739	741,349			449,739	741,349
	Total	1,997,648	3,642,476			1,997,648	3,642,476
Grass	Great Britain	1,380	1,993			1,380	1,993
	Newfoundland	8	48			8	48
	Belgium	2,400	2,750			2,400	2,750
	France	1,280	2,000			1,280	2,000
	Germany	4,269	5,030			4,269	5,030
	United States	59,544	66,908			59,544	66,908
	Total	68,881	78,729			68,881	78,729
All other	Great Britain		6,808				6,808
	Bermuda		500				500
	B. W. Indies		6				6
	Newfoundland		488		10		498
	New Zealand		6				6
	Aust.-Hungary		46				46
	Denmark		23				23
	Germany		11				11
	Holland		3,500				3,500
	St. Pierre		3				3
	United States		25,907		1,543		27,450
	Total		37,298		1,553		38,851

STATEMENT of Articles included in the Proposed Arrangement, &c.—*Continued.*

ARTICLES EXPORTED.	COUNTRIES.	GOODS, THE PRODUCE OF CANADA.		GOODS, NOT THE PRODUCE OF CANADA.		TOTAL EXPORTS.	
		Quantity.	Value.	Q'ty.	Value.	Quantity.	Value.
THE FISHERIES—*Con.*		Lbs.	$	Lbs.	$	Lbs.	$
Codfish, including haddock, ling and pollack, fresh	United States...	375,758	11,550			375,758	11,550
Codfish, dry salted	Great Britain...	36,268	116,468			36,268	116,468
	Australia	14	109			14	109
	Bermuda	3,284	15,352	39	166	3,323	15,518
	B. Africa	112	500			112	500
	B. Guiana	49,949	199,490			49,949	199,490
	B. Honduras	30	160	10	41	40	201
	B. W. Indies...	179,629	809,978	8,839	30,677	188,468	840,615
	B. Poss. other	112	504			112	504
	Hong Kong	1	4			1	4
	Malta	604	2,732			604	2,732
	Newfoundland	10,213	36,582			10,213	36,582
	Brazil	132,138	708,819			132,138	708,819
	Cent. Am. States	3,777	21,310	15	62	3,792	21,372
	Cuba	61,421	302,146	10,855	37,988	72,276	340,134
	Dan. W. Indies	760	3,854			760	3,854
	Denmark	110	770			110	770
	Dutch Guiana	7,780	26,377			7,780	26,377
	France	180	976			180	976
	Hawaii	1,927	10,615			1,927	10,615
	Hayti	3,064	14,144			3,064	14,144
	Italy	56,998	249,073			56,998	249,073
	Mexico	1,250	6,410			1,250	6,410
	Panama	16,564	80,317	83	338	16,647	80,655
	Portugal	8,003	43,460			8,003	43,460
	Porto Rico	98,715	430,495	2,594	9,531	101,309	440,026
	San Domingo	4,343	20,587			4,343	20,587
	Spain	307	1,850			307	1,850
	Uruguay	25	150			25	150
	U.S. of Colombia	5,943	28,469	5	21	5,948	28,490
	United States...	91,297	432,211	172	886	91,469	433,097
	Venezuela	322	1,885			322	1,885
	Total	775,140	3,565,757	22,612	79,710	797,752	3,645,467
Codfish, wet salted	B. Guiana	2,290	2,975			2,290	2,975
	B. W. Indies...	5,832	8,201			5,832	8,201
	Newfoundland	246	273			246	273
	Cuba	5	15			5	15
	Hayti	250	300			250	300
	United States...	4,310	15,410			4,310	15,410
	Total	12,933	27,174			12,933	27,174
" pickled	Bermuda	4	4			4	4
	Newfoundland...	28	140			28	140
	United States...	608	2,512			608	2,512
	Total	640	2,656			640	2,656
		Brls.				Brls.	
" tongues and sounds	Bermuda		3				3
	B. W. Indies		7				7
	Porto Rico	4	113			4	113
	United States...	718	12,593			718	12,593
	Total	722	12,716			722	12,716

STATEMENT of Articles included in the Proposed Arrangement, &c.—*Continued.*

ARTICLES EXPORTED.	COUNTRIES.	GOODS, THE PRODUCE OF CANADA.		GOODS, NOT THE PRODUCE OF CANADA.		TOTAL EXPORTS.	
		Quantity.	Value.	Q'ty.	Value.	Quantity.	Value.
THE FISHERIES—*Con.*		Lbs.	$	Lbs.	$	Lbs.	$
Mackerel, fresh	United States	2,255,634	119,919			2,255,634	119,919
" canned	United States	10,320	1,720			10,320	1,720
		Brls.		Brls.		Brls.	
" pickled	Great Britain	43	500			43	500
	Bermuda	120	1,268			120	1,268
	B. Guiana	1,430	13,104			1,430	13,104
	B. W. Indies	9,290	89,560	156	1,033	9,446	90,593
	Brazil	12	220			12	220
	Cent. Am. States	342	3,358	5	50	347	3,408
	Cuba	282	2,167			282	2,167
	Dan. W. Indies	31	252			31	252
	France	12	62			12	62
	Hayti	1	8			1	8
	Italy	36	464			36	464
	Panama	1,223	15,126			1,223	15,126
	Porto Rico	35	188			35	188
	U.S.of Columbia	303	3,028			303	3,028
	United States	14,378	176,383	41	500	14,419	176,883
	Venezuela	1	25			1	25
	Total	27,539	305,713	202	1,583	27,741	307,296
		Lbs.		Lbs.		Lbs.	
Halibut, fresh	Australia	1,732	117			1,732	117
	United States	1,571,822	84,036	44,650	3,151	1,616,472	87,187
	Total	1,573,554	84,153	44,650	3,151	1,618,204	87,304
Herrings, fresh or frozen	Newfoundland	12,450	1,080			12,450	1,080
	United States	20,070,876	169,773			20,070,876	169,773
	Total	20,083,326	170,853			20,083,326	170,853
		Brls.		Brls.		Brls.	
" pickled	Great Britain	273	1,560			273	1,560
	Bermuda	77	330			77	330
	B. E. Indies	10	22			10	22
	B. Guiana	2,055	8,064			2,055	8,064
	B. W. Indies	34,303	132,195	65	208	34,368	132,403
	Hong Kong	68,478	148,906			68,478	148,906
	Newfoundland	165	660	21	63	186	723
	Cent. Am. States	7	28			7	28
	China	145,749	264,217			145,749	264,217
	Cuba	308	1,453			308	1,453
	Dan. W. Indies	268	1,055			268	1,055
	Dutch Guiana	11	50			11	50
	Hawaii	46	92			46	92
	Hayti	100	300			100	300
	Japan	57,532	107,731			57,532	107,731
	Mexico	4,784	16,744			4,784	16,744
	Panama	101	388			101	388
	Porto Rico	7,055	27,053			7,055	27,053
	Siam	10	20			10	20
	U.S.of Columbia	18	73			18	73
	United States	39,492	112,334	210	1,199	39,702	113,533
	Total	360,842	823,275	296	1,470	361,138	824,745

STATEMENT of Articles included in the Proposed Arrangement, &c.—*Continued.*

ARTICLES EXPORTED.	COUNTRIES.	GOODS, THE PRODUCE OF CANADA.		GOODS, NOT THE PRODUCE OF CANADA.		TOTAL EXPORTS.	
		Quantity.	Value.	Q'ty.	Value.	Quantity.	Value.
THE FISHERIES—*Con.*		Brls.	$	Brls.	$	Brls.	$
Herrings, canned	Bermuda	160	16			160	16
	United States	211,426	7,108			211,426	7,108
	Total	211,586	7,124			211,586	7,124
" smoked	Great Britain	73,091	2,241			73,091	2,241
	Australia	1,920	111			1,920	111
	Bermuda	62,861	2,207			62,861	2,207
	B. Guiana	123,359	3,039			123,359	3,039
	B. W. Indies	1,575,328	38,882			1,575,328	38,882
	Newfoundland	8,500	350			8,500	350
	New Zealand	3,300	137			3,300	137
	Brazil	12,000	480			12,000	480
	Cent. Am. States	2,730	80			2,730	80
	Cuba	34,510	883			34,510	883
	Dan. W. Indies	8,565	204			8,565	204
	Dutch Guiana	24,665	556			24,665	556
	Hayti	67,000	1,374			67,000	1,374
	Mexico	600	18			600	18
	Panama	39,295	978			39,295	978
	Porto Rico	3,575	167			3,575	167
	Portugal	6,000	150			6,000	150
	St. Pierre	1,450	17			1,450	17
	San Domingo	10,000	200			10,000	200
	U.S. of Colombia	1,590	47			1,590	47
	United States	893,349	20,134			893,349	20,134
	Total	2,953,688	72,255			2,953,688	72,255
Sea Fish, other—Fresh	Great Britain	54	9			54	9
	Australia	3,940	158			3,940	158
	B. W. Indies	1,040	18			1,040	18
	United States	6,536,968	393,876			6,536,968	393,876
	Total	6,542,002	394,061			6,542,002	394,061
		Brls.		Brls.		Brls.	
pickled	Great Britain	3	20			3	20
	Bermuda	25	138			25	138
	B. Guiana	847	3,190	1	2	848	3,192
	B. W. Indies	11,165	47,698	81	175	11,246	47,873
	Hong Kong	70	172			70	172
	Brazil	10	40			10	40
	Cent. Am. States	28	107			28	107
	China	71	175			71	175
	Cuba	164	818			164	818
	Dan. W. Indies	67	296	2	5	69	301
	Dutch Guiana	144	727			144	727
	Hayti	100	300			100	300
	Panama	255	1,069			255	1,069
	Porto Rico	84	309			84	309
	San Domingo	100	300			100	300
	U.S. of Colombia	16	50			16	50
	United States	3,687	15,441	32	195	3,719	15,636
	Total	16,836	70,850	116	377	16,952	71,227

STATEMENT of Articles included in the Proposed Arrangement, &c.—*Continued.*

ARTICLES EXPORTED.	COUNTRIES.	GOODS, THE PRODUCE OF CANADA.		GOODS, NOT THE PRODUCE OF CANADA.		TOTAL EXPORTS.	
		Quantity.	Value.	Q'ty.	Value.	Quantity.	Value.
THE FISHERIES—*Con.*		Lbs.	$	Lbs.	$	Lbs.	$
Sea Fish, preserved. ...	Great Britain ..	13,983	1,155	.....	.....	13,983	1,155
	Bermuda.....	5,719	303	760	68	6,479	371
	B. Guiana.....	22,500	450	.....	.....	22,500	450
	B. W. Indies...	225,873	5,255	.....	.....	225,873	5,255
	Fiji Islands.....	95	5	.....	.....	95	5
	Newfoundland..	12,630	716	.....	.....	12,630	716
	Belgium.....	175	30	.....	.....	175	30
	Cuba.....	35,425	1,215	.....	.....	35,425	1,215
	Hayti.....	10,000	200	.....	.....	10,000	200
	Mexico.....	2,073	85	.....	.....	2,073	85
	Panama.....	12,000	250	.....	.....	12,000	250
	United States...	689,498	33,042	38,185	4.323	727,683	37,365
	Total ...	1,029,971	42,706	38,945	4,391	1,068,916	47,097
		Brls.		Brls.		Brls.	
Oysters—Fresh.....	Great Britain...	24	222	.....	.....	24	222
	Newfoundland..	22	120	.....	.....	22	120
	St. Pierre.....	9	51	.....	.....	9	51
	United States...	202	1,784	3	29	205	1,813
	Total.....	257	2,177	3	29	260	2,206
		Lbs.		Lbs.		Lbs.	
" preserved in cans..	Japan.....	35	3	.....	.....	35	3
	United States...	7,370	618	415	191	7.785	809
	Total	7,405	621	415	191	7,820	812
		Brls.		Brls.		Brls.	
Lobsters—Fresh.....	United States...	81,173	528,341	1	12	81,174	528,353
		Lbs.		Lbs.		Lbs.	
" canned.....	Great Britain...	2,826,622	748,775	4,800	1,500	2,831,422	750,275
	Australia.	9,250	2,455	.....	.....	9,250	2,455
	B. Guiana... .	10,710	2,497	.....	.....	10,710	2,497
	B. W. Indies....	5,832	1,713	.....	.....	5,832	1.713
	New Zealand...	1,920	560	.....	.....	1,920	560
	Argentina.....	4,200	780	.....	.....	4,200	780
	Belgium.....	184,788	52,750	.....	.....	184,788	52,750
	Denmark.....	61,830	17,495	.....	.....	61,830	17,495
	Dutch Guiana..	48	10	.....	.....	48	10
	France.....	3,293,879	949,793	.....	.....	3,293,879	949,793
	Germany.....	120,660	37,530	.....	.....	120,660	37,530
	Greece.....	4,300	1,200	.....	.....	4,300	1,200
	Holland.....	3,190	957	.....	.....	3,190	957
	Mexico.....	4,656	1,261	.....	.....	4,656	1,261
	Norway.....	37,767	10,630	.....	.....	37,767	10,630
	Russia.....	1,440	432	.....	.....	1,440	432
	Sweden.....	212,607	56,849	.....	.....	212,607	56,849
	Turkey.....	5,460	1,015	.....	.....	5,460	1,015
	United States...	2,898,370	732,454	.....	.....	2,898,370	732.454
	Total	9,687,529	2,619,156	4,800	1,500	9,692,329	2,620,656

STATEMENT of Articles included in the Proposed Arrangement, &c.—*Continued.*

ARTICLES EXPORTED.	COUNTRIES.	GOODS, THE PRODUCE OF CANADA.		GOODS, NOT THE PRODUCE OF CANADA.		TOTAL EXPORTS.	
		Quantity.	Value.	Q'ty.	Value.	Quantity.	Value.
THE FISHERIES—*Con.*		Brls.	$	Brls.	$	Brls.	$
Bait—Fish	United States	4,699	9,294	150	120	4,849	9,414
Clams or other	B. Africa	870	526			870	526
	St. Pierre	25	125			25	125
	United States	33,619	76,491			33,619	76,491
	Total	34,514	77,142			34,514	77,142
		Lbs.		Lbs.		Lbs.	
Salmon, fresh	Great Britain	489,890	45,218			489,890	45,218
	Australia	20,170	1,301			20,170	1,301
	B. Poss., other	20	2			20	2
	Newfoundland	175	24			175	24
	United States	1,489,105	144,113			1,489,105	144,113
	Total	1,999,360	190,658			1,999,360	190,658
" smoked	Great Britain	20	2			20	2
	B. W. Indies	10	2			10	2
	Fiji Islands	25	2			25	2
	Mexico	38	6			38	6
	United States	2,160	199			2,160	199
	Total	2,253	211			2,253	211
" canned	Great Britain	29,767,131	3,824,993			29,767,131	3,824,993
	Australia	1,968,707	256,510			1,968,707	256,510
	Bermuda	22,166	3,696			22,166	3,696
	B. Africa	2,440	211			2,440	211
	B. E. Indies	398,204	23,773			398,204	23,773
	B. W. Indies	4,880	469			4,880	469
	B. Poss., other	14,724	1,135	72	12	14,796	1,147
	Fiji Islands	570,908	35,226			570,908	35,226
	Hong Kong	2,112	160			2,112	160
	Newfoundland	100	27			100	27
	New Zealand	939,364	120,172			939,364	120,172
	Argentina	2,400	150			2,400	150
	Belgium	106,800	14,660			106,800	14,660
	China	15,624	785			15,624	785
	Dutch E. Indies	25,048	1,581			25,048	1,581
	Ecuador	12,480	756			12,480	756
	France	399,713	47,682			399,713	47,682
	Germany	11,088	791			11,088	791
	Holland	25,440	3,747			25,440	3,747
	Japan	30,746	3,816			30,746	3,816
	Mexico	4,104	425			4,104	425
	Norway	10,560	610			10,560	610
	Peru	19,200	1,600			19,200	1,600
	Philippines	181,344	10,517			181,344	10,517
	Siam	2,430	153			2,430	153
	United States	118,384	14,360	102	27	118,486	14,387
	Total	34,656,097	4,368,005	174	39	34,656,271	4,368,044

STATEMENT of Articles included in the Proposed Arrangement, &c.—*Continued.*

ARTICLES EXPORTED.	COUNTRIES.	GOODS, THE PRODUCE OF CANADA.		GOODS, NOT THE PRODUCE OF CANADA.		TOTAL EXPORTS.	
		Quantity.	Value.	Q'ty.	Value.	Quantity.	Value.
THE FISHERIES—*Suite.*		Brls.	$	Brls.	$	Brls.	$
Salmon, pickled	Great Britain	1	15	2	18	3	33
	Bermuda	9	139			9	139
	B Guiana	24	397			24	397
	B. W. Indies	421	6,376			421	6,376
	Hong Kong	208	520			208	520
	Cent. Am. States	8	110			8	110
	Cuba		2				2
	Dan. W. Indies	12	141			12	141
	Denmark	254	5,072			254	5,072
	Dutch Guiana	88	1,310			88	1,310
	Germany	5,260	106,571			5,260	106,571
	Italy	5	85			5	85
	Japan	34,570	101,164			34,570	101,164
	Panama	87	1,264			87	1,264
	Porto Rico	5	90			5	90
	U.S. of Colombia	4	70			4	70
	United States	6,570	105,432			6,570	105,432
	Total	47,526	328,758	2	18	47,528	328,776
		Lbs.		Lbs.		Lbs.	
Salmon or lake trout	United States	396,850	21,228			396,850	21,228
Fish, all other—Fresh	Great Britain		67				67
	Australia		74				74
	Fiji Islands		24				24
	Newfoundland		65				65
	United States		1,275,142				1,275,142
	Total		1,275,372				1,275,372
		Brls.		Brls.		Brls.	
Fish, all other—pickled	Great Britain	284	891			284	891
	B. W. Indies	70	336			70	336
	Hong Kong	93	429			93	429
	China	8	15			8	15
	Germany	2,246	21,704			2,246	21,704
	Hawaii	25	90			25	90
	Sweden	22	308			22	308
	United States	2,113	21,797	7	53	2,120	21,850
	Total	4,861	45,570	7	53	4,868	45,623
		Galls.		Gall.		Galls.	
Fish oil—Cod	Great Britain	24,820	6,339			24,820	6,339
	B. Guiana	225	90			225	90
	B. W. Indies	1,388	437			1,388	437
	Newfoundland	5,425	1,356			5,425	1,356
	Cuba			125	95	125	95
	United States	131,585	32,272			131,585	32,272
	Total	163,443	40,494	125	95	163,568	40,589
Seal	Great Britain	6,040	2,141			6,040	2,141

STATEMENT of Articles included in the Proposed Arrangement, &c.—*Continued.*

ARTICLES EXPORTED.	COUNTRIES.	GOODS, THE PRODUCE OF CANADA.		GOODS, NOT THE PRODUCE OF CANADA.		TOTAL EXPORTS.	
		Quantity.	Value.	Q'ty.	Value.	Quantity.	Value.
THE FISHERIES—*Con.*		Galls.	$	Galls.	$	Galls.	$
Fish Oils—*Con.*							
Whale	Great Britain	1,033,446	306,261			1,033,446	306,261
	Mexico	200	80			200	80
	United States	52,149	18,657			52,149	18,657
	Total	1,085,795	324,998			1,085,795	324,998
Other	Great Britain	82,718	16,619			82,718	16,619
	B. W. Indies	120	36			120	36
	United States	8,235	2,135			8,235	2,135
	Total	91,073	18,790			91,073	18,790
		Lbs.		Lbs.		Lbs.	
Salt	Great Britain			3,300	14	3,300	14
	Bermuda	200	4			200	4
	B. Africa	36,840	97			36,840	97
	Newfoundland	161,444	1,945	4,466,695	11,344	4,628,139	13,289
	Mexico	80	2			80	2
	United States	166,701	683	2,930,956	7,534	3,097,657	8,217
	Total	365,265	2,731	7,400,951	18,892	7,766,216	21,623
		Galls.		Galls.		Galls.	
Mineral water	Great Britain	2,159	1,079	100	82	2,259	1,161
	Bermuda	204	116			204	116
	B. W. Indies	172	171			172	171
	United States	55,617	6 712	43	45	55,660	6,757
	Total	58,152	8,078	143	127	58,295	8,205
		Tons.		Tons.		Tons.	
Timber, square, viz.— Ash	Great Britain	380	5,689			380	5,689
Birch	Great Britain	11,226	132,702			11,226	132,702
	France	62	871			62	871
	St. Pierre	17	300			17	300
	United States	19	485			19	485
	Total	11,324	134,358			11,324	134,358
Elm	Great Britain	2,096	48,908	1,994	66,482	4,090	115,390
	France			67	2,280	67	2,280
	United States	1	45			1	45
	Total	2,097	48,953	2,061	68,762	4 158	117,715
Maple	Great Britain	23	182			23	182
Oak	Great Britain	586	15,679	3,285	91,961	3,871	107,640
	Newfoundland	2	101			2	101
	United States	65	1.098			65	1,098
	Total	653	16,878	3,285	91,961	3,958	108,839

STATEMENT of Articles included in the Proposed Arrangement, &c.—*Continued.*

ARTICLES EXPORTED.	COUNTRIES.	GOODS, THE PRODUCE OF CANADA.		GOODS, NOT THE PRODUCE OF CANADA.		TOTAL EXPORTS.	
		Quantity.	Value.	Q'ty.	Value.	Quantity.	Value.
THE FOREST—*Con.*		Cords.	$		$	Cords.	$
Timber—*Con.*							
Pine, red	Great Britain	4,400	134,442	60	2,540	4,460	136,952
Pine, white	Great Britain	17,498	554,235			17,498	554,235
	France	68	2,167			68	2,167
	United States	454	5,856			454	5,856
	Total	18,020	562,258			18,020	562,258
All other	Great Britain	1,245	15,952			1,245	15,952
	Mexico	228	2,280			228	2,280
	St. Pierre	8	142			8	142
	United States	1,189	13,619	180	1,108	1,369	14,727
	Total	2,670	31,993	180	1,108	2,850	33,101
		Cords.		Cords.		Cords.	
Lathwood	United States	1,924	10,310			1,924	10,310
Logs—Cedar, capable of being made into shingle bolts	United States	197	780			197	780
		M. ft.		M. ft.		M. ft.	
Logs, viz.: Elm	Great Britain	945	15,330	170	1,736	1,115	17,066
	United States	353	3,983			353	3,983
	Total	1,298	19,313	170	1,736	1,468	21,049
Hemlock	United States	2,024	15,273			2,024	15,273
Oak	United States	4	50			4	50
Pine	Great Britain	6	117			6	117
	United States	1,322	19,754	70	348	1,392	20,102
	Total	1,328	19,871	70	348	1,398	20,219
Spruce	Great Britain	5	100			5	100
	United States	12,042	123,363			12,042	123,363
	Total	12,047	123,463			12,047	123,463
All other	Great Britain	2,009	23,777			2,009	23,777
	Newfoundland	177	1,243			177	1,243
	Japan	1	15			1	15
	St. Pierre	12	130			12	130
	United States	94,132	796,546			94,132	796,546
	Total	96,331	821,711			96,331	821,711

STATEMENT of Articles included in the Proposed Arrangement, &c.—*Continued.*

ARTICLES EXPORTED.	COUNTRIES.	GOODS, THE PRODUCE OF CANADA.		GOODS, NOT THE PRODUCE OF CANADA.		TOTAL EXPORTS.	
		Quantity.	Value.	Q'ty.	Value.	Quantity.	Value.
THE FOREST—*Con.*			$		$		$
Lumber, viz. :—Battens..	Great Britain...	....	47,316	.....	.....	.....	47,316
	Belgium.....	....	10,583	.....	.....	.....	10,583
	United States...	....	22	.....	.....	....	22
	Total.....	....	57,921	.....	....	.. ....	57,921
Basswood	Great Britain...	165	4,912	.....	.....	165	4,912
	Newfoundland..	8	230	... .	.....	8	230
	France	106	3,728	.....	.....	106	3,728
	United States...	2,795	61,576	.....	.....	2,795	61,576
	Total..	3,074	70,446	.....	.....	3,074	70,446
		Std. Hnd.	$	Std. Hd.	$	Std. Hnd.	$
Lumber : —Deals, pine....	Great Britain ..	23,873	1,556,229	.....	.....	23,873	1,556,229
	B. Africa.....	13	1,200	.....	.. ....	13	1,200
	Belgium.....	105	7,180	.....	....	105	7,180
	Germany.	62	5,506	.....	.....	62	5,506
	St. Pierre.....	.....	17	.....	.....	.....	17
	United States...	1,332	83,305	.....	.....	1,332	83,305
	Total	25,385	1,653,437	.. ..	....	25,385	1,653,437
" spruce and other.	Great Britain...	144,852	5,825,732	.....	.....	144,852	5,825,732
	B. Africa.	357	14,447	.. ....	.....	357	14,447
	France..... ..	373	13,400	.....	.....	273	13,400
	Germany.	88	3,508	.....	.... . .	88	3,508
	Spain.....	652	31,738	.....	.....	652	31,738
	Spanish Africa..	6	352	.....	.....	6	352
	United States...	12,461	572,103	.....	.... ..	12,461	572,103
	Total.....	158,789	6,461,280	.. ..	.....	158,789	6,461,280
Deal ends.....	Great Britain...	8,134	334,481	....	.....	8,134	334,481
	B. Africa...	497	17,424	.....	... .	497	17,424
	B. W. Indies...	.. ..	19	.....	... ..	....	19
	Cuba.....	1	29	.....	.....	1	29
	France.....	15	410	.....	.....	15	410
	Germany.....	2	46	... .	.....	2	46
	Spain.	18	603	... ...	.....	18	603
	United States...	480	14,142	.....	.....	480	14,142
	Total.....	9,147	367,154	.....	.....	9,147	367,154
		M.		M.		M.	
Laths.....	Great Britain...	20	130	.....	.....	20	130
	Australia..	7,790	22,278	.....	.....	7,790	22,278
	Bermuda	200	501	.....	.....	200	501
	B. W. Indies...	1,460	3,874	.....	.....	1,460	3,874
	Newfoundland..	352	969	.....	.....	352	969
	New Zealand....	625	1,717	.....	.....	625	1,717
	Chili.....	130	344	... .	.....	130	344
	Mexico.....	15	35	.....	.....	15	35
	St. Pierre.....	30	63	.....	.....	30	63
	Spanish Africa..	320	828	.....	.....	320	828
	United States...	751,729	1,852,211	.... ..	.....	751,729	1,852,211
	Total.....	762,671	1,882,950	.....	.....	762,671	1,882,950

STATEMENT of Articles included in the Proposed Arrangement, &c.—*Continued.*

ARTICLES EXPORTED.	COUNTRIES.	GOODS, THE PRODUCE OF CANADA.		GOODS, NOT THE PRODUCE OF CANADA.		TOTAL EXPORTS.	
		Quantity.	Value.	Qt'y.	Value.	Quantity.	Value.
THE FOREST—*Con.*		Cwt.	$	Cwt.	$	Cwt.	$
Palings	Great Britain	77	769			77	769
	United States	24	250			24	250
	Total	101	1,019			101	1,019
Pickets	Great Britain	3,594	17,305			3,594	17,305
	Australia	599	8,928			599	8,928
	Fiji Islands	1	25			1	25
	Norway	13	287			13	287
	Spanish Africa	3	38			3	38
	United States	42,143	196,385	23	230	42,166	196,615
	Total	46,353	222,968	23	230	46,376	223,198
s d boards		M. ft.	$	M. ft.	$	M. ft.	$
	Great Britain	72,507	1,387,439			72,507	1,387,439
	Australia	35,641	443,490			35,641	443,490
	Bermuda	58	1,040			58	1,040
	B. Africa	8,458	126,119			8,458	126,119
	B. Guiana	1,554	28,289			1,554	28,289
	B. W. Indies	8,949	156,647			8,949	156,647
	B. Poss. other	1	17			1	17
	Fiji Islands	935	19,707			935	19,707
	Hong Kong	2,041	29,959			2,041	29,959
	Newfoundland	327	6,732			327	6,732
	New Zealand	1,745	23,125			1,745	23,125
	Argentina	99,920	2,326,852			99,920	2,326,852
	Belgium	1,292	17,868			1,292	17,868
	Cape Verde Isd.	213	3,617			213	3,617
	Cent. Am. States	30	750			30	750
	Chili	14,278	186,297			14,278	186,297
	China	3,626	49,147			3,626	49,147
	Cuba	17,456	294,862			17,456	294,862
	Brazil	1,379	21,106			1,379	21,106
	Dan. W. Indies	121	1,846			121	1,846
	France	110	3,156			110	3,156
	Fr. W. Indies	105	2,632			105	2,632
	Germany	176	4,887			176	4,887
	Holland	165	3,552			165	3,552
	Italy	53	1,578			53	1,578
	Japan	1,463	23,000			1,463	23,000
	Mexico	1,010	14,441			1,010	14,441
	Panama	42	1,063			42	1,063
	Portugal	850	10,199			850	10,199
	Porto Rico	3,996	65,200			3,996	65,200
	St. Pierre	897	12,619			897	12,619
	Spain	21	412			21	412
	Spanish Africa	1,083	27,800			1,083	27,800
	Uruguay	4,372	79,676			4,372	79,676
	U.S. of Colombia	10	232			10	232
	United States	970,391	17,877,349	22	514	970,413	17,877,863
	Total	1,255,275	23,252,705	22	514	1,255,297	23,253,219
Joists	United States	101	1,510			101	1,510

STATEMENT of Articles included in the Proposed Arrangement, &c.—*Continued.*

ARTICLES EXPORTED.	COUNTRIES.	GOODS, THE PRODUCE OF CANADA.		GOODS, NOT THE PRODUCE OF CANADA.		TOTAL EXPORTS.	
		Quantity.	Value.	Q'ty.	Value.	Quantity.	Value.
THE FOREST—*Con.*			$		$		$
Scantling	Great Britain	42,330	487,262			42,330	487,262
	Bermuda	20	289			20	289
	B. Guiana	2	51			2	51
	B. W. Indies	114	1,722			114	1,722
	Newfoundland	62	743			62	743
	Argentina	12,086	203,790			12,086	203,790
	Belgium	14	217			14	217
	France	57	966			57	966
	St. Pierre	6	63			6	63
	Spanish Africa	100	2,118			100	2,118
	Uruguay	184	3,206			184	3,206
	United States	44,028	593,428	2	24	44,030	593,452
	Total	99,003	1,293,855	2	24	99,005	1,293,879
Posts, cedar, tamarack and other	United States		46,930				46,930
Shingle bolts, of pine or cedar	United States	Cords. 16,533	72,764			Cords. 16,533	72,764
Sleepers and railroad ties.	Great Britain	No. 19	15			No. 19	15
	Mexico	986,359	93,922			986,359	93,922
	United States	908,097	328,277			908,097	328,277
	Total	1,894,475	422,214			1,894,475	422,214
Masts and spars	B. Guiana	15	438			15	438
	B. W. Indies	437	1,717			437	1,717
	Newfoundland	35	471			35	471
	China	14	200			14	200
	Cuba	5	100			5	100
	Dan. W. Indies	90	90			90	90
	Japan	4	100			4	100
	Porto Rico	4	20			4	20
	St. Pierre	110	798			110	798
	United States	269	610			269	610
	Total	983	4,544			983	4,544
Piling	Mexico		2,100				2,100
	United States		129,418				129,418
	Total		131,518				131,518
Poles—Hop, hoop, telegraph and other	Bermuda		17				17
	B. W. Indies		331				331
	Porto Rico		19				19
	United States		55,810				55,810
	Total		56,177				56,177
Stave bolts	United States	Cords. 48	124			Cords. 48	124

STATEMENT of Articles included in the Proposed Arrangement, &c.—*Continued.*

ARTICLES EXPORTED.	COUNTRIES.	GOODS, THE PRODUCE OF CANADA.		GOODS, NOT THE PRODUCE OF CANADA.		TOTAL EXPORTS.	
		Quantity.	Value.	Q'ty.	Value.	Quantity.	Value.
THE FOREST—*Con.*			$		$		$
Staves, other and headings	Great Britain		26,468				26,468
	Australia		16,595				16,595
	B. Africa		1,182				1,182
	B. Guiana		236				236
	B. W. Indies		12,293				12,293
	Belgium		79				79
	Spain		207				207
	St. Pierre		2,110				2,110
	United States		35,309				35,309
	Total		94,479				94,479
		Tons.		Tons.		Tons.	
Gypsum or plaster (crude)	Cuba		2				2
	United States	335,916	396,493			335,916	396,493
	Total	335,916	396,495			335,916	396,495
		Lbs.		Lbs.		Lbs.	
Mica	Great Britain	42,201	10,540			42,201	10,540
	Newfoundland	4	2			4	2
	France	3,886	1,444			3,886	1,444
	Switzerland	20	73			20	73
	United States	829,340	287,017	100	31	829,440	287,048
	Total	875,451	299,076	100	31	875,551	299,107
		Tons.				Tons.	
Felspar	United States	11,494	35,975			11,494	35,975
Asbestos	Great Britain	5,550	283,367			5,550	283,367
	Australia	20	300			20	300
	Aust.-Hungary	55	1,030			55	1,030
	Belgium	3,117	155,664			3,117	155,664
	France	2,339	99,815			2,339	99,815
	Germany	770	22,444			770	22,444
	Holland	100	12,580			100	12,580
	Italy	377	10,956			377	10,956
	United States	51,710	1,300,457			51,710	1,300,457
	Total	64,038	1,886,613			64,038	1,886,613

Flourspar not in classification.
Glycerine, crude, not in classification.
Talc not in classification.
Salt cake not in classification.
Soda ash not in classification.

		Brls.		Brls.		Brls.	
Extract of hemlock bark	Great Britain	6,717	82,614			6,717	82,614
	B. Africa	55	660			55	660
	Newfoundland	215	2,820			215	2,820
	Belgium	220	2,640			220	2,640
	France	605	7,260			605	7,260
	Germany	107	1,284			107	1,284
	United States	48	672			48	672
	Total	7,967	97,950			7,967	97,950

STATEMENT of Articles included in the Proposed Arrangement, &c.—*Continued.*

ARTICLES EXPORTED.	COUNTRIES.	GOODS, THE PRODUCE OF CANADA.		GOODS, NOT THE PRODUCE OF CANADA.		TOTAL EXPORTS.	
		Quantity.	Value.	Q'ty.	Value.	Quantity.	Value.
			$		$		$

Carbon electrodes not in classification.

Brass in bars and rods, in coil or otherwise, not less than six feet in length, or brass in strips, sheet or plates, not polished, planished or coated not in classification.

Cream separators not in classification.

Rolled iron or steel sheets, or plates number fourteen gauge or thinner, galvanized or coated with zinc, tin or other metal or not, not in classification.

Crucible cast steel wire not in classlffcation.

Galvanized iron or steel wire not in classification.

Machinery, viz: Linotype machines	Great Britain			1,700		1,700	
	Australia		17,088				17,088
	New Zealand		32				32
	Argentina		826				826
	Mexico		40				40
	United States		2,951	1,376			4,307
	Total		20,917	3,076			23,993

Barbed fencing wire not in classification.

		Tons.		Tons.		Tons.	
Coke	Newfoundland	27	136			27	136
	United States	48,831	217,278			48,831	217,278
	Total	48,858	217,414			48,858	217,414

Round rolled wire rods in the coil, of iron or steel not over ⅜ in. in diameter, not in classification.

ANIMALS AND THEIR PRODUCE.		Lbs	$	Lbs.	$	Lbs.	$
Meats, viz.: Bacon	Great Britain	45,509,550	6,422,747			45,509,550	6,422,747
	Bermuda	712	124			712	124
	B. W. Indies	874	123	23	4	897	127
	B. Poss. other	501	122			501	122
	Fiji Islands	90	14			90	14
	Newfoundland	5,892	789			5,892	789
	Japan	502	85			502	85
	Mexico	66	11			66	11
	St. Pierre	33	6			33	6
	United States	58,663	7,338	1,907	413	60,570	7,751
	Total	45,576,883	6,431,359	1,930	417	45,578,813	6,431,776
Beef	Great Britain	828,140	69,072			828,140	69,072
	Bermuda	600	39			600	39
	B. W. Indies	5,013	369	800	55	5,813	424
	B. Poss. other	324	32			324	32
	Newfoundland	393,835	29,710	243,675	13,439	637,510	43,149
	Cuba	150	20			150	20
	Germany	16,827	1,114			16,827	1,114
	Holland	24,000	2,000			24,000	2,000
	Japan	300	25			300	25
	St. Pierre	705	51	400	18	1,105	69
	United States	48,503	7,561	47,085	5,074	95,588	12,635
	Total	1,318,397	109,993	291,960	18,586	1,610,357	128,579

STATEMENT of Articles included in the Proposed Arrangement, &c.—*Continued.*

ARTICLES EXPORTED.	COUNTRIES.	GOODS, THE PRODUCE OF CANADA.		GOODS, NOT THE PRODUCE OF CANADA.		TOTAL EXPORTS.	
		Quantity.	Value.	Q'ty.	Value.	Quantity	Value
		Lbs.	$	Lbs.	$	Lbs.	$
Meats—*Con.*							
Hams	Great Britain	3,238,704	413,645	.....	.....	3,238,704	413,645
	Bermuda	1,820	334	.....	.....	1,820	334
	B. W. Indies	13,101	1,807	.....	.....	13,101	1,808
	B. Poss. other	1,133	205	.....	.....	1,133	207
	Newfoundland	2,780	357	.....	.....	2,780	355
	Cuba	730	103	.....	.....	730	105
	France	35	5	.....	.....	35	7
	Mexico	80	12	.....	.....	80	13
	St. Pierre	517	78	.....	.....	517	72
	United States	1,906	340	2,245	478	4,151	818
	Total	3,260,806	416,886	2,245	478	3,263,051	417,364
Mutton	Newfoundland	44,309	4,096	.....	.....	44,309	4,096
	Mexico	30	7	.....	.....	30	7
	United States	25,893	3,701	1,993	574	27,886	4,275
	Total	70,232	7,804	1,993	574	72,225	8,378
Pork	Great Britain	197,851	16,788	228	35	198,079	16,823
	Bermuda	4,458	557	100	8	4,558	565
	B. Guiana	17,400	572	.....	.....	17,400	572
	B. W. Indies	198,315	8,467	.....	.....	198,315	8,467
	Newfoundland	112,705	10,965	150,500	13,576	263,205	24,541
	China	180	22	.....	.....	180	22
	Cuba	297	49	.....	.....	297	49
	St. Pierre	16,138	1,567	.....	.....	16,138	1,567
	United States	51,637	9,793	259	75	51,896	9,868
	Total	598,981	48,780	151,087	13,694	750,068	62,474
		Lbs.		Lbs.		Lbs.	
Tongues	Denmark	1,740	125	.....	.....	1,740	125
	Germany	600	120	.....	.....	600	120
	Mexico	30	7	.....	.....	30	7
	St. Pierre	48	5	.....	.....	48	5
	United States	69	7	.....	.....	69	7
	Total	2,487	264	.....	.....	2,487	264
Canned	Great Britain	1,685,833	191,832	.....	.....	1,685,833	191,832
	B.W. Indies	1,586	227	.....	.....	1,586	227
	B. Poss., other	583	107	.....	.....	583	107
	Newfoundland	5,217	692	1,880	228	7,097	920
	United States	3,499	621	7,226	2,125	10,725	2,746
	Total	1,696,718	193,479	9,106	2,353	1,705,824	195,832
All other, N.E.S.	Great Britain	7,786,953	726,743	.....	.....	7,786,953	726,743
	Bermuda	219	33	.....	.....	219	33
	B.W. Indies	13,621	835	.....	.....	13,621	835
	B. Poss., other	798	131	.....	.....	798	131
	Newfoundland	70,311	7,220	.....	.....	70,311	7,220
	Cuba	96	8	.....	.....	96	8
	Germany	9,853	539	.....	.....	9,853	539
	Mexico	800	24	.....	.....	800	24
	St. Pierre	559	53	.....	.....	559	53
	United States	261,870	30,853	1,605	370	263,475	31,223
	Total	8,145,080	766,439	1,605	370	8,146,685	766,809

STATEMENT of Articles included in the Proposed Arrangement, &c.—*Continued.*

ARTICLES EXPORTED.	COUNTRIES.	GOODS, THE PRODUCE OF CANADA.		GOODS, NOT THE PRODUCE OF CANADA.		TOTAL EXPORTS.	
		Quantity.	Value.	Q'ty.	Value.	Quantity.	Value.
			$		$		$
Extract of meat—Not in classification.							
Lard	Great Britain	Lbs. 1,390,788	125,264	Lbs.		Lbs. 1,390,788	125,264
	B.W. Indies	450	59	340	25	790	84
	Newfoundland	57,128	5,330	3,028	252	60,156	5,642
	United States	34,914	2,555	2,307	315	37,221	2,870
	Total	1,483,280	133,268	5,675	592	1,488,955	133,860
Tallow	Great Britain	167,730	8,425			167,730	8,425
	Newfoundland	16,856	875			16,856	875
	France	40,000	1,200			40,000	1,200
	Germany	65,929	4,285			65,929	4,285
	Mexico	20,000	1,220	102,000	6,520	122,000	7,740
	United States	4,369	274	170	9	4,539	283
	Total	314,884	16,279	102,170	6,529	417,054	22,808
Egg yolk, egg albumen and blood albumen—Not in classification.							
Fish packed in oil—No separate classification.							
Vegetables, canned or preserved	Great Britain	Lbs.	49,750	Lbs.	81	Lbs.	49,831
	Australia				78		78
	Bermuda		665		18		683
	B. Africa		641				641
	B. W. Indies		178				178
	B. Poss., other		183		5		188
	Hong Kong		20				20
	Newfoundland		1,836				1,836
	China		139				139
	Corea		25				25
	France		3				3
	Holland		3,000				3,000
	Mexico		24				24
	United States		1,096		7,901		8,997
	Total		57,560		8,083		65,643
Flour of Wheat	Great Britain	Brls. 1,877,436	8,872,698	Brls.		Brls. 1,877,436	8,872,698
	Australia	991	4,712			991	4,712
	Bermuda	16,502	83,926			16,502	83,926
	B. Africa	234,259	1,273,897			234,259	1,273,897
	B. E. Indies	61	353			61	353
	B. Guiana	35,569	159,259			35,569	159,259
	B. W. Indies	189,685	930,339			189,685	930,339
	B. Poss. other	2,769	13,115			2,769	13,115
	Fiji Islands	1,651	7,330			1,651	7,330
	Gibraltar	424	2,178			424	2,178
	Hong Kong	20,768	89,140			20,768	89,140
	Malta	1,782	7,733			1,782	7,733
	Newfoundland	313,590	1,727,591			313,590	1,727,591
	Belgium	114	627			114	627
	Cent. Am. States	502	2,098			502	2,098
	China	4,451	19,288	100	355	4,551	19,643
	Corea	2	14			2	14

STATEMENT of Articles included in the Proposed Arrangement, &c.—*Continued.*

ARTICLES EXPORTED.	COUNTRIES.	GOODS, THE PRODUCE OF CANADA.		GOODS, NOT THE PRODUCE OF CANADA.		TOTAL EXPORTS.	
		Quantity.	Value.	Q'ty.	Value.	Quantity.	Value.
		Lbs.	$	Lbs.	$	Lbs.	$
Flour of Wheat—*Con.*	Cuba	610	3,360			610	3,360
	Denmark	71,763	321,579			71,763	321,579
	Dutch Guiana	150	732			150	732
	Ecuador	35	125			25	125
	Egypt	4,001	15,406			4,001	15,406
	France	300	1,509			300	1,500
	Fr. W. Indies	2,835	14,843			2,835	14,843
	Germany	5,240	26,988			5,240	26,988
	Holland	26,593	123,762			26,593	123,762
	Japan	13,985	58,136			13,985	58,136
	Mexico	1,001	4,057			1,001	4,057
	Norway	87,917	402,540			87,917	402,540
	Panama	255	968			255	968
	Peru	213	978			213	978
	Port'g'se Africa	10,977	59,481			10,977	59,481
	Russia	6,439	30,367			6,439	30,367
	Sweden	856	4,307			855	4,907
	St. Pierre	4,217	24,489			4,217	24,489
	United States	126,155	571,938	33	154	126.188	572,092
	Total	3,064,028	14,859,854	133	509	3,064,161	14,860,363
Indian Meal	Bermuda	92	277			92	277
	B. W. Indies	2	7			2	7
	Newfoundland	873	2,917			873	2,917
	Mexico	1	4			1	4
	St. Pierre	98	295			98	295
	United States	1	6	127	306	128	312
	Total	1,067	3,506	127	306	1,194	3,812
Oatmeal	Great Britain	229,793	1,050,188			229,793	1,050,188
	Bermuda	16	86			16	86
	B. W. Indies	278	1,115			278	1,115
	Newfoundland	712	3,335			712	3,335
	Aust.-Hungary	14	62			14	62
	Belgium	605	2,470			605	2,470
	Denmark	972	4,030			972	4,030
	Germany	420	1,760			420	1,760
	Holland	2,551	9,454			2,551	9,454
	Mexico		3				3
	Norway	5,085	20,977			5,085	20,977
	Russia	4,466	19,849			4,466	19,849
	Switzerland	275	1,110			275	1,110
	United States	2,110	9,422			2,110	9,422
	Total	247,297	1,123,861			247,297	1,123,861
		Bush.		Bush.		Bush.	
Malt	Great Britain	703	802			703	802
	Hong Kong	3,600	3,240			3,600	3,240
	Newfoundland	8,722	7,174			8,722	7,174
	United States	82	112			82	112
	Total	13,107	11,328			13,107	11,328
Barley, pot, pearled and patent—Not in classification.							
Buckwheat flour of meal—Not in classification.							

STATEMENT of Articles included in the Proposed Arrangement, &c.—*Continued.*

ARTICLES EXPORTED.	COUNTRIES.	GOODS, THE PRODUCE OF CANADA.		GOODS, NOT THE PRODUCE OF CANADA.		TOTAL EXPORTS.	
		Quantity.	Value.	Q'ty.	Value.	Quantity.	Value.
			$		$		$
		Bush.				Bush.	
Pease, split	Great Britain	13,462	16,628			13,462	16,628
	Bermuda	737	1,010			737	1,010
	B. Africa	3,574	5,262			3,574	5,262
	B. Guiana	40,529	52,563			40,529	52,563
	B. W. Indies	47,264	63,806			47,264	63,806
	Newfoundland	9,381	10,708			9,381	10,708
	Dan. W. Indies	151	236			151	236
	Panama	175	263			175	263
	St. Pierre	4	5			4	5
	U.S. of Colombia	32	46			32	46
	United States	47,971	73,352			47,971	73,352
	Total	163,280	223,879			163,280	223,879
Cereal foods, prepared, of all kinds :—							
To Great Britain			1,229,028		212		1,229,240
United States			17,870		167		18,037
Other countries			442,750		269		443,019
	Total		1,689,648		648		1,690,296
		Cwt.		Cwt.		Cwt.	
Bran	Great Britain	121,584	136,769			121,584	136,769
	Bermuda	15,784	19,167			15,784	19,167
	B. Africa	419	449			419	449
	B. Guiana	250	330			250	330
	B. W. Indies	19,976	24,046			19,976	24,046
	Newfoundland	15,548	16,687			15,548	16,687
	Belgium	27,182	29,688			27,182	29,688
	Cuba	5,684	6,168			5,684	6,168
	Denmark	1,104	1,300			1,104	1,300
	Germany	465,510	499,514			465,510	499,514
	Holland	29,698	33,134			29,698	33,134
	Mexico	3,000	3,400			3,000	3,400
	Norway	2,821	2,461			2,821	2,461
	Panama	21	26			21	26
	St. Pierre	77	112			77	112
	Sweden	552	645			552	645
	United States	1,087,108	1,068,724			1,087,108	1,068,724
	Total	1,796,318	1,842,620			1,796,318	1,842,620
Macaroni and vermicelli—Not in classification.							
		Cwt.		Cwt.		Cwt.	
Biscuits and bread	Great Britain	2	23			2	23
	Bermuda	355	2,514			355	2,514
	B. Guiana	196	2,049			196	2,049
	B. W. Indies	1,663	13,512			1,663	13,512
	B. Poss., other	2	11			2	11
	Newfoundland	198	1,411			198	1,411
	Dan. W. Indies	2	15			2	15
	Mexico	2	13			2	13
	St. Pierre	46	264			46	264
	United States	125	1,041	3	86	128	1,127
	Total	2,591	20,853	3	86	2,594	20,939
Confectionery — Not in classification.							

STATEMENT of Articles included in the Proposed Arrangement, &c.—*Continued.*

ARTICLES EXPORTED.	COUNTRIES.	GOODS, THE PRODUCE OF CANADA.		GOODS, NOT THE PRODUCE OF CANADA.		TOTAL EXPORTS.	
		Quantity.	Value.	Q'ty.	Value.	Quantity.	Value.
		Lbs.	$	Lbs.	$	Lbs.	$
Maple sugar	Great Britain	18,679	1,843			18,679	1,843
	Australia	100	10			100	10
	B. Africa	60	6			60	6
	B. W. Indies	40	4			40	4
	Newfoundland	580	59			580	59
	France	323	32			323	32
	Mexico	100	10			100	10
	United States	1,714,555	127,082			1,714,555	127,082
	Total	1,734,437	129,046			1,734,437	129,046
		Galls.		Galls.		Galls.	
Maple syrup	Great Britain	2,455	2,248			2,455	2,248
	B. Africa	27	30			27	30
	Newfoundland	40	41			40	41
	China	5	5			5	5
	France	12	11			12	11
	United States	1,994	1,996	39	35	2,033	2,031
	Total	4,533	4,331	39	35	4,572	4,366
Pickles and sauces of all kinds—Not in classification.							
Cherry juice and other fruit juices—Not in classification.							
Mineral water bottles—Not separate classification.							
Essential oils—No separate classification.							
Vines, grapes and other :—							
To Great Britain							
United States			4,928				4,928
Other countries					11		11
	Total		4,928		11		4,939
		No.				No.	
Wagons	Great Britain	2	165			2	165
	Bermuda	1	20			1	20
	B. Africa	4	418			4	418
	B. W. Indies	1	57			1	57
	Newfoundland	6	333			6	333
	New Zealand	1	77			1	77
	Mexico	1	45			1	45
	United States	160	8,989	21	1,015	181	10,004
	Total	176	10,104	21	1,015	197	11,119
Mowing Machines	Great Britain	772	32,261			772	32,261
	Australia	998	38,773			998	38,773
	B. Africa	249	9,660			249	9,660
	B. W. Indies	6	175			6	175
	Newfoundland	11	186			11	186
	New Zealand	347	12,784			347	12,784
	Argentina	201	7,312			201	7,312
	Aust.-Hungary	460	15,527			460	15,527
	Belgium	543	18,220			543	18,22 6

STATEMENT of Articles included in the Proposed Arrangement, &c.—*Continued.*

ARTICLES EXPORTED.	COUNTRIES.	GOODS THE PRODUCE OF CANADA.		GOODS NOT THE PRODUCE OF CANADA.		TOTAL EXPORTS.	
		Quantity.	Value.	Q'ty.	Value.	Quantity.	Value.
		No.	$	No.	$	No.	$
Moving Machines—*Con.*	Brazil	1	26			1	26
	Chili	5	146			5	146
	Denmark	55	1,881			55	1,881
	France	6,127	207,724			6,127	207,724
	French Africa	5	1,375			5	1,375
	Germany	4,150	124,719			4,150	124,719
	Holland	661	22,446			661	22,446
	Italy	799	26,659			799	26,659
	Roumania	89	2,966			89	2,966
	Russia	2,219	88,149			2,219	88,149
	Spain	10	383			10	338
	Sweden	59	1,274			59	1,274
	Switzerland	30	1,256			30	1,256
	Uruguay	20	692			20	692
	United States	31	368	1	10	32	373
	Total	17,848	614,912	1	10	17,849	614,922
Reapers	Great Britain	46	2,631			46	2,631
	Australia	3	645			3	645
	B. Africa	26	1,555			26	1,555
	New Zealand	10	582			10	582
	Aust.-Hungary	80	7,055			80	7,055
	Belgium	17	942			17	942
	Chili	176	10,331			176	10,331
	Denmark	15	853			15	853
	France	680	38,241			680	38,241
	Germany	498	30,949			498	30,949
	Italy	30	1,668			30	1,668
	Portugal	6	341			6	341
	Roumania	649	37,394			649	37,394
	Russia	1,252	68,085			1,252	68,085
	Servia	20	1,000			20	1,000
	Sweden	1	50			1	50
	Turkey	5	281			5	281
	United States	1	15			1	15
	Total	3,515	202,618			3,515	202,618
Harvesters	Great Britain	1,443	138,983			1,443	138,983
	Australia	3,470	371,787			3,470	371,787
	B. Africa	99	10,571			99	10,571
	New Zealand	820	86,063			820	86,063
	Argentina	801	111,001			801	111,001
	Aust.-Hungary	98	14,713			98	14,713
	Belgium	138	11,514			138	11,514
	Chili	26	3,815			26	3,815
	Denmark	215	16,036			215	16,036
	France	2,576	249,214			2,576	249,214
	French Africa	83	9,475			83	9,475
	Germany	1,273	110,094			1,273	110,094
	Holland	151	16,641			151	16,641
	Italy	48	5,068			48	5,068
	Portugal	24	2,437			24	2,437
	Roumania	154	16,763			154	16,763
	Russia	1,636	172,970			1,636	172,970
	Servia	6	540			6	540
	Spain	140	7,484			140	7,484
	Sweden	1	100			1	100
	Turkey	6	345			6	345

STATEMENT of Articles included in the Proposed Arrangement, &c.—*Continued.*

ARTICLES EXPORTED.	COUNTRIES.	GOODS, THE PRODUCE OF CANADA.		GOODS, NOT THE PRODUCE OF CANADA.		TOTAL EXPORTS.	
		Quantity.	Value.	Q'ty.	Value.	Quantity.	Value.
		No.	$	No.	$	No.	$
Harvester—*Con*	Uruguay	150	15,854			150	15,854
	United States	5	375	1	25	6	400
	Total	13,363	1,371,843	1	25	13,364	1,371,868
Ploughs	Great Britain	678	9,927			678	9,927
	Australia	6,501	159,330			6,501	159,330
	B. Africa	2,849	75,874			2,849	75,874
	B. E. Indies	52	327			52	327
	B. W. Indies	2	43			2	43
	Hong Kong	1	10			1	10
	Newfoundland	11	344			11	344
	New Zealand	527	11,531			527	11,531
	Argentina	49	4,607			49	4,607
	Aust.-Hungary	1	200			1	200
	Brazil	471	16,349			471	16,349
	Cent. Am. States	1	40			1	40
	Chili	80	1,328			80	1,328
	Cuba	1	398			1	398
	Egypt	1	530			1	530
	France	15	590			15	590
	French Africa	12	588			12	588
	Greece	1	200			1	200
	Holland	1	200			1	200
	Italy	7	231			7	231
	Roumania	4	129			4	129
	Russia	4	1,495			4	1,495
	Spain	14	1,220			14	1,220
	Sweden	145	1,565			145	1,565
	Uruguay	1	495			1	495
	United States	389	40,539	6	850	395	41,389
	Total	11,818	328,090	6	850	11,824	328,940
Harrows	Great Britain	14	143			14	143
	Australia	833	13,158			833	13,158
	B. Africa	485	12,416			485	12,416
	B. E. Indies	55	1,184			55	1,184
	B. W. Indies	12	250			12	250
	Newfoundland	2	100			2	100
	New Zealand	352	11,572			352	11,572
	Argentina	23	781			23	781
	Aust.-Hungary	50	1,134			50	1,134
	Chili	20	180			20	180
	France	196	2,455			196	2,455
	French Africa	52	650			52	650
	Germany	960	18,883			960	18,883
	Greece	4	24			4	24
	Russia	1,235	7,617			1,235	7,617
	United States	123	2,042	1	5	124	2,047
	Total	4,416	72,589	1	5	4,417	72,594
Hay Rakes	Great Britain	368	9,862			368	9,862
	Australia	582	12,233			582	12,233
	B. Africa	32	697			32	697
	B. W. Indies	1	21			1	21
	Newfoundland	11	151			11	151
	New Zealand	163	3,391			163	3,391
	Argentina	50	1,000			50	1,000
	Aust.-Hungary	111	2,136			111	2,136

STATEMENT of Articles included in the Proposed Arrangement, &c.—*Continued.*

ARTICLES EXPORTED.	COUNTRIES.	GOODS, THE PRODUCE OF CANADA.		GOODS, NOT THE PRODUCE OF CANADA.		TOTAL EXPORTS.	
		Quantity.	Value.	Q'ty.	Value.	Quantity.	Value.
		No.	$	No.	$	No.	$
Hay Rakes—*Con*	Belgium	79	2,186			79	2,186
	Chili	31	610			31	610
	Denmark	10	440			10	440
	France	383	14,177			383	14,177
	French Africa	66	1,247			66	1,247
	Germany	1,055	39,556			1,055	39,556
	Holland	595	28,078			595	28,078
	Italy	221	7,655			221	7,655
	Roumania	84	1,570			84	1,570
	Russia	1,295	25,304			1,295	25,304
	Sweden	3	132			3	132
	Uruguay	12	219			12	219
	United States	3	25	1	5	4	30
	Total	5,155	150,690	1	5	5,156	150,695
Seeders	Argentina	174	6,516			174	6,516
	United States	8	295			8	295
	Total	182	6,811			182	6,811
Threshing machines	United States			1	300	1	300
All other agricultural implements	Great Britain		135,091				135,091
	Australia		535,158				535,158
	B. Africa		14,213				14,213
	B. E. Indies		3,000				3,000
	B. W. Indies		184				184
	Hong Kong		15				15
	Newfoundland		1,232				1,232
	New Zealand		73,076				73,076
	Argentina		23,563				23,563
	Aust.-Hungary		1,029				1,029
	Belgium		8,358				8,358
	Brazil		7,950				7,950
	Chili		14,650				14,650
	Denmark		4,072				4,072
	France		110,167				110,167
	French Africa		1,931				1,931
	Germany		33,212				33,212
	Holland		9,019				9,019
	Itlaly		17,571				17,571
	Japan		258				258
	Norway		5,638				5,638
	Portugal		478				478
	Roumania		6,247				6,247
	Russia		45,183				45,183
	Spain		6,601				6,601
	Sweden		21,523				21,523
	Swiitzerland		500				500
	Turkey		45				45
	Uruguay		990				990
	United States		39,551		3,282		42,833
	Total		1,120,505		3,282		1,123,787

STATEMENT of Articles included in the Proposed Arrangement, &c.—*Continued.*

ARTICLES EXPORTED.	COUNTRIES.	GOODS, THE PRODUCE OF CANADA.		GOODS, NOT THE PRODUCE OF CANADA.		TOTAL EXPORTS.	
		Quantity.	Value.	Q'ty.	Value.	Quantity.	Value.
			$		$		$
Parts of	Great Britain		63,534				63,534
	Australia		133,606				133,606
	B. Africa		26,776				26,776
	B. E. Indies		325				325
	B. W. Indies		16				16
	Newfoundland		33				33
	New Zealand		27,017				27,017
	Argentina		17,302				17,302
	Aust.-Hungary		8,559				8,559
	Belgium		2,258				2,258
	Brazil		185				185
	Chili		3,206				3,206
	Cuba		89				89
	Denmark		650				650
	Egypt		30				30
	France		49,832				49,832
	French Africa		1,007				1,007
	Germany		42,187				42,187
	Holland		13,236				13,236
	Italy		1,812				1,812
	Mexico		20				20
	Norway		10				10
	Portugal		111				111
	Portug'se Africa		126				126
	Roumania		4,433				4,433
	Russia		48,728				48,728
	Spain		50				50
	Sweden		1,582				1,582
	Uruguay		1,672				1,672
	United States		2,935		6,632		9,567
	Total		451,327		6,632		457,959

Portable engines with boilers in combination—Not in classification.

		Tons.		Tons.		Tons.	
Stones for manufacture of grindtones, rough	G. Britain						
	U. States	433	2,023	1	50	434	2,073
	Other countries						
	Total						
Grindstones, manufactured	B. W. Indies		16				16
	Newfoundland		225				225
	Panama		62				62
	U. States		13,451				13,451
	Total		13,754				13,754
Building, freestone, limestone, &c., unwrought	G. Britain						
	U. States	37,682	18,232			37,682	18,232
	Other countries						
	Total						

STATEMENT of Articles included in the Proposed Arrangement, &c.—*Continued.*

ARTICLES EXPORTED.	COUNTRIES.	GOODS, THE PRODUCE OF CANADA.		GOODS, NOT THE PRODUCE OF CANADA.		TOTAL EXPORTS.	
		Quantity.	Value.	Q'ty.	Value.	Quantity.	Value.
			$		$		$
Roofing slates—Not in classification.							
Vitrified paving block—Not in classification.							
Paving blocks of stone—Not in classification.							
		Lbs.		Lbs.		Lbs.	
Mineral pigment, iron oxides, ochres, &c.	G. Britain	275,110	1,604			275,110	1,604
	U. States	846,486	6,696	17,592	250	864,078	6,946
	Total	1,121,596	8,300	17,592	250	1,139,188	8,556
Asbestos further manufactured than ground—Not in classification.							
Printing ink—Not in classification.							
Cutlery, pocket knives, pen knives, scissors and shears, knives and forks for household purposes, and table steels—Not in classification.							
Bells and gongs—Not in classification.							
Brass corners and rules for printers—Not in classification.							
Basins, urinals and plumbing fixtures—Not in classification.							
Brass band instruments—Not in classification.							
Clocks, watches, time recorders, clock and watch keys, clock cases and clock movements—Not in classification.							
Printers' wooden cases and cabinets for holding type—Not in classification.							
Wood flour—Not in classification.							
Canoes, and small boats of wood, not power boats—Not in classification.							
Feathers, crude, not dressed—Not in classification.							
Antiseptic and surgical dressing, surgical trusses, &c.—Not in classification.							
Plate glass, not bevelled, in sheets or panes exceeding seven sq. ft. each, and not exceeding twenty five sq. ft. each—Not in classification.							
		No.		No.		No.	
Automobiles	Great Britain	15	46,200	6	11,000	21	57,200
	Australia	167	162,405			167	162,405
	B. Africa	59	19,139			59	19,139
	B. Guiana	2	1,654			2	1,654
	B. E. Indies	12	10,297			12	10,297
	B. W. Indies	11	8,361			11	8,361
	Fiji Islands			1	186	1	186
	Newfoundland	4	3,284			4	3,248
	New Zealand	30	21,763			30	21,763
	France	1	8,000	2	3,600	3	11,600
	United States	45	93,944	93	207,672	138	301,616
	Total	346	405,011	102	222,458	448	627,469
Iron or steel digesters for the manufacture of wood pulp—Not in classification.							
Musical instrument cases, fancy cases or boxes, &c.—Not in classification.							
Cement	Great Britain		100				100
	B. Africa		134				134
	B. W. Indies		511				511
	Newfoundland		1,263				1,263
	Cuba		18				18
	Mexico		360				360
	St. Pierre		45				45
	United States		94,949		5,567		100,516
	Total		97,380		5,567		102,947

STATEMENT of Articles included in the Proposed Arrangement, &c.—*Continued.*

ARTICLES EXPORTED.	COUNTRIES.	GOODS, THE PRODUCE OF CANADA.		GOODS, NOT THE PRODUCE OF CANADA.		TOTAL EXPORTS.	
		Quantity.	Value.	Q'ty.	Value.	Quantity.	Value.
			$		$		$
Trees, shrubs and plants..	Great Britain...	.....	2,092	.....	5	.....	2,097
	B. Africa. ...	.....	20	.....	.....	.....	20
	Newfoundland..	.....	2,101	.....	4	.....	2,105
	New Zealand....	.....	2	.....	.....	.....	2
	China....	.....	175	.....	.....	.....	175
	France	.....	3,830	.....	.....	.....	3,830
	Japan..... ...	.....	15	.....	.....	.....	15
	St. Pierre.....	.....	3	.....	.....	.....	3
	United States...	.....	23,689	.....	990	.....	24,679
	Total.....	.....	31,927	.....	999	.....	32,926
Milk and cream, condensed, canned or preserved.		Lbs.		Lbs.		Lbs.	
	Great Britain...	96	9	.....	.....	96	9
	Bermuda.....	10,030	851	.....	.....	10,030	851
	B. Africa. ..	1,395,792	104,258	.....	.....	1,395,792	104,258
	B. Guiana.....	11,768	996	2,500	170	14,268	1,166
	B. W. Indies....	15,240	1,258	.....	.....	15,240	1,258
	B. Poss., other..	1,172	111	.....	.....	1,172	111
	Fiji Islands.....	48	4	.....	.....	48	4
	Hong Kong.....	29,380	2,940	.....	.....	29,380	2,940
	Newfoundland..	156,920	8,992	.... .	.....	156,920	8,992
	New Zealand....	70	7	.....	.....	70	7
	Chili..... ..	4,800	355	.....	.....	4,800	355
	China..... ..	287,740	25,157	.....	.....	287,740	25,157
	Corea.....	1,800	145	.....	.....	1,800	145
	Cuba...	2,205,950	142,194	.....	.....	2,205,950	142,194
	Germany.....	7,440	930	.....	.....	7,440	930
	Japan.....	193,468	16,800	.....	.....	193,468	16,800
	Mexico	72,424	5,640	.....	.....	72,424	5,640
	Philippine.....	159,900	10,268	.....	.....	159,900	10,268
	St. Pierre.....	24	3	.....	.....	24	3
	United States...	2,362,221	220,446	27,213	2,582	2,389,434	223,028
	Total	6,916,283	541,372	29,713	2,752	6,945,996	544,124
Fruits, canned or preserved.	Great Britain...	.....	199,629	.....	1,643	.....	201,272
	Australia.....	....	4	.....	.....	.....	4
	Bermuda.. ..	.....	227	.....	55	.....	282
	B. Africa.....	.....	52	.....	.....	.....	52
	B. E. Indies....	.....	86	.....	10	.....	96
	B. W. Indies....	.....	157	.....	.....	.....	157
	B. Poss., other..	.....	8	.....	27	.....	35
	Newfoundland..	.....	1,588	.....	7	.....	1,595
	Belgium.....	. .. .	1,212	.....	.....	.....	1,212
	China.....	..... .	36	.....	.....	.....	36
	France.....	....	80	.....	.....	.....	80
	Germany.....	. .. ...	120	.....	.....	.....	120
	Japan.....	.....	32	.....	.....	.....	32
	Mexico.....	.....	4,023	.....	10	.....	4,032
	Philippines.....	....	495	. . ..	... .	....	495
	United States...	....	19,090	.....	918	.....	20,008
	Total.....	.....	226,839	.....	2,670	.. ..	229,509
Peanuts, shelled (not in classification).							
Peanuts, unshelled (not in classification).							

STATEMENT of Articles included in the Proposed Arrangement, &c.—*Continued.*

ARTICLES EXPORTED.	COUNTRIES.	GOODS, THE PRODUCE OF CANADA.		GOODS, NOT THE PRODUCE OF CANADA.		TOTAL EXPORTS.	
		Quantity.	Value.	Q'ty.	Value.	Quantity.	Value.
		Tons.	$	Tons.	$	Tons.	$
Coal	Great Britain	9,967	33,842	3	15	9,970	33,857
	Australia	46,099	161,505			46,099	161,505
	Bermuda	13,024	52,951			13,024	52,951
	B. W. Indies	3,584	13,335			3,584	13,335
	B. Poss. other	2,859	10,903			2,859	10,903
	Newfoundland	186,472	519,406	267	1,772	186,739	521,178
	Argentina	1,390	4,516			1,390	4,516
	Belgium	306	994			306	994
	Cent. Am. States	10	66			10	66
	Cape Verde Isd	1,050	3,675			1,050	3,675
	Chili	1,100	4,950			1,100	4,950
	China	1,754	7,016			1,754	7,016
	Cuba	3,748	14,944			3,748	14,944
	Denmark	200	650			200	650
	France	352	1,462			352	1,462
	Japan	5,197	19,235			5,197	19,235
	Mexico	94,788	325,151			94,788	325,151
	Panama	1,429	6,383			1,429	6,383
	Peru	1,482	5,187			1,482	5,187
	St. Pierre	9,510	28,427			9,510	28,427
	United States	1,442,018	3,798,623	182,251	270,858	1,624,269	4,069,481
	Total	1,826,339	5,013,221	182,521	272,645	2,008,860	5,285,866
		Cwt.		Cwt.		Cwt.	
Aluminum, in bars, blocks, &c.	Great Britain	19,421	292,243			19,421	292,243
	Australia	33	504			33	504
	Belgium	11,322	169,910			11,322	169,910
	Chili	4	46			4	46
	Denmark	27	418			27	418
	France	2,357	35,355			2,357	35,355
	Germany	1,067	16,021			1,067	16,021
	Holland	4,212	62,750			4,212	62,750
	United States	41,751	625,476	2	45	41,753	625,521
	Total	80,194	1,202,723	2	45	80,196	1,202,768
		M.		M.		M.	
Laths	G. Britain	20	130			20	130
	U. States	751,729	1,852,211			751,729	1,852,211
	B. W. Indies	1,460	3,874			1,460	3,874
	Other countries	9,462	26,735			9,462	26,735
		762,671	1,882,950			762,671	1,882,950
Shingles	Great Britain	399	1,274			399	1,274
	Bermuda	66	113			66	113
	B. Africa	45	99			45	99
	B. W. Indies	17,822	28,527			17,822	28,527
	Newfoundland	860	2,059			860	2,059
	Chili	50	113			50	113
	Cuba	8	15			8	15
	Dan. W. Indies	6	20			6	20
	Dutch Guiana	22	39			22	39
	Japan	13	30			13	30
	Porto Rico	73	128			73	128
	St. Pierre	460	971			460	971
	United States	918,788	2,298,055			918,788	2,298,055
	Total	938,612	2,331,443			938,612	2,331,443

STATEMENT of Articles included in the Proposed Arrangement, &c.—*Concluded.*

ARTICLES EXPORTED.	COUNTRIES.	GOODS, THE PRODUCE OF CANADA.		GOODS, NOT THE PRODUCE OF CANADA.		TOTAL EXPORTS.	
		Quantity.	Value.	Q'ty.	Value.	Quantity.	Value.
		Tons.	$		$	Tons.	$
Iron ores	United States	31,535	80,540	.....	.....	31,535	80,540

EXPORTS (goods the produce of Canada) from Canada, during year ended March 31, 1910, of articles included in the proposed arrangement.

To Great Britain	$ 127,883,138
" United States	49,249,294
" Other countries	28,174,560
	$ 205,306,992

STATEMENT No. 6.—EXPORTS of Wood Pulp and Paper from Canada during year ended March 31, 1910.

ARTICLES EXPORTED.	COUNTRIES.	GOODS, THE PRODUCE OF CANADA.		GOODS, NOT THE PRODUCE OF CANADA.		TOTAL EXPORTS.	
		Quantity.	Value.	Q'ty.	Value.	Quantity.	Value.
		Tons.	$	Tons.	$	Tons.	$
Wood pulp, chemically prepared	Great Britain	21,094	42,252			21,094	42,252
	Australia	452	814			452	814
	Belgium	9,680	14,520			9,680	14,520
	Cuba	460	921			460	921
	Japan	365	914			365	914
	Mexico	1,224	2,106			1,224	2,106
	United States	831,331	1,597,319			831,331	1 597,319
	Total	864,606	1,658,846			864,606	1,658,846
Wood pulp, mechanically ground	Great Britain	1,682,143	888,898			1,682,143	888,898
	Belgium	14,423	14,371			14,423	14,371
	France	158,970	62,316			158,970	62,316
	Mexico	1,807	2,176			1,807	2,176
	United States	3,181,507	2,577,990			3,181,507	2,577,990
	Total	5,038,850	3,545,751			5,038,850	3,545,751
		Lbs.		Lbs.		Lbs.	
Wrapping paper	B. W. Indies	7,280	268			7,280	268
	Newfoundland	278,137	8,731			278,137	8,731
	Germany	250	10			250	10
	United States	4,225	89	210	15	4,435	104
	Total	289,892	9,098	210	15	290,102	9,113
Printing paper	Great Britain		527,851				527,851
	Australia		445,549				445,549
	B. Africa		124,096				124,096
	B. E. Indies		358				358
	B. W. Indies		1,164				1,164
	Newfoundland		10,007				10,007
	New Zealand		179,208				179,208
	Argentina		27,511				27,511
	Belgium		1,880				1,880
	Brazil		7,501				7,501
	Cent. Am. States		4,160				4,160
	China		1,977				1,977
	Cuba		23,010				23,010
	Ecuador		98				98
	Hayti		205				205
	Mexico		3,479				3,479
	Panama		1,528				1,528
	Peru		37				37
	Philippines		2,351				2,351
	San. Domingo		158				158
	U.S.of Colombia		666				666
	United States		1,246,795		27		1,246,822
	Venezuela		2,654				2,654
	Total		2,612,243		27		2,612,270

109B

STATEMENT No. 6.—Exports of Wood Pulp and Paper from Canada during Year ended March 31, 1910—*Concluded.*

ARTICLES EXPORTED.	COUNTRIES.	GOODS, THE PRODUCE OF CANADA.		GOODS, NOT THE PRODUCE OF CANADA.		TOTAL EXPORTS.	
		Quantity.	Value	Q'ty.	Value.	Quantity.	Value.
			$		$		$
Paper, N.E.S.	Great Britain		384,458		391		384,849
	Australia		7,440		107		7,547
	Bermuda		1,306				1,306
	B. Africa		15,228				15,228
	B. Guiana		993				993
	B. W. Indies		4,488		36		4,524
	Newfoundland		19,624		14		19,638
	New Zealand		1,044				1,044
	Aust.-Hungary		1,094				1,094
	Belgium		186				186
	China		2				2
	Cuba		1,420				1,420
	France		81		82		163
	French Africa		15				15
	Germany		1,056				1,056
	Holland		500				500
	Italy		65				65
	Japan		1,337				1,337
	Mexico		2,372				2,372
	Philippines				25		25
	St. Pierre		32				32
	Switzerland		364				364
	United States		39,727		2,890		42,617
	Total		482,832		3,545		486,377

RECAPITULATION.

Wood pulp, the produce of Canada, exported to—

	$
Great Britain	931,150
United States	4,175,309
All other Countries	98,138
	5,204,597

Paper, the produce of Canada, exported to—

Great Britain	912,309
United States	1,286,611
All other Countries	905,253
	3,104,173

CONTENTS.

Correspondence and schedules A., B., C. & D.—

Statement of articles and duties ..... No. 1

Statement of articles entered for consumption in Canada, and estimated amount of reduction in duties ..... " 2

Statement of wood pulp and paper entered for consumption in Canada ..... " 3

Statement showing amount of duties remitted by the United States ..... " 4

Statement of exports from Canada of articles included in the proposed agreement ..... " 5

Statement of wood pulp and paper exported from Canada..... " 6

RETURN

(110b)

To an Order of the House of Commons, dated the 23rd January, 1911, for a copy of the full report and finding of the Curator of the Farmers' Bank, up to the time of his appointment as liquidator of the same by the shareholders for the requisition of which authority is given to the Minister of Finance by Section 122 of the Bank Act.

CHAS. MURPHY,
Secretary of State.

TORONTO, January 7, 1911.

IN THE MATTER OF THE FARMERS' BANK OF CANADA.

INTERIM STATEMENT OF AFFAIRS

As of December 19th, 1910.

LIABILITIES.

Direct. Suspended Payment December 19, 1910

Amounts owing to depositors and holders of drafts at

Allenford branch	$ 25,753 18
Arkona branch	43,023 82
Athens branch	19,626 70
Belleville branch	35,995 53
Bethany branch	55,342 24
Burgessville branch	41,773 48
Camden East branch	72,309 17
Cheltenham branch	36,600 69
Dashwood branch	113,021 81
Dunsford branch	34,562 25
Embro branch	74,626 36
Fingal branch	33,589 87
Haileybury branch	25,473 98
Kerwood branch	67,903 17
Kinmount branch	33,902 38
Lakeside branch	32,222 60
Lindsay branch	38,176 17
Millbank branch	66,630 61
Milton branch	30,452 25
Norval branch	39,129 76
Phillipsville branch	37,682 73
Pontypool branch	47,992 41
Sharbot Lake branch	52,797 77

Stouffville branch	24,733 88	
Williamstown branch	25,930 18	
Zephyr branch	55,749 88	
Toronto branch	87,772 04	
Accrued interest to December 19, 1910	19,000 00	
Reserve for sundry claims	10,000 00	
Total		$1,281,774 91
Preferred claims—		
Farmers' Bank notes in circulation as per head office books and branch returns	$538,365 00	
Branch salary and charge accounts	3,558 05	
Rentals due at branches together with claims for penalties under terms of leases	1,530 86	
Ontario Government deposit	26,533 16	
Total		$569,987 07
Secured claims—unsettled—		
Trusts and Guarantee Company, Limited, Toronto, advances on demand notes	$211,838 26	
Secured by hypothecations of customers' paper	293,526 31	
Surplus carried to assets		$ 81,688 05
Other securities held and included under assets in this statement:—		
Bonds of Keeley Mines, Limited	$1,000,000 00	
Other industrial bonds	75,000 00	
Capital stock—		
Capital stock subscribed as per list		$584,500 00

ASSETS.

Dominion of Canada notes	$ 10,048 50	
Specie	7,271 95	
Notes and cheques of and on other banks	55,144 22	
Balances due from other banks in Canada	10,738 10	
Balances due from agents in United Kingdom	6,189 26	
Balances due from other foreign agents	5,030 89	
Cash items on hand and in transit	46,286 31	
		$ 140,709 23
Deposit with Dominion Government to secure note circulation		20,250 00
Stocks and bonds		113,895 00
Surplus in customers' papers held by Trust and Guarantee Co.	$ 81,688 05	
Current loans, discounts and past due bills held at head office and branches	$684,130 04	
Interim valuation	241,434 84	
		323,122 89

Claims for withdrawals after suspension		47,000 00
Bank premises, fixtures and furniture (book value)		178,604 90
Stationery on hand estimated value		2,500 00
Due upon capital stock		16,921 60
Other assets as per list		1,146 57
Keeley Mines, Limited:—		
Current loans and overdrafts	$321,100 46	
Call loans	300,000 00	
($1,000,000.00 bonds held as Security therefor)	$621,100 46	
Stocks and bond account	535,000 00	
		$1,156,100 46
Total		$2,000,250 05

SUMMARY.

Assets—		
As above		$2,000,250 05
Liabilities—		
Depositors and holders of bank drafts	$1,281,774 91	
Preferred claims	569,987 07	
Secured claims no ranking		
Capital stock	584,500 00	
		2,436,261 98
Nominal deficiency		$436,011 93

G. T. CLARKSON.

C. R. C. CLARKSON & SONS,
Curator and Interim Liquidator,
Toronto, Ontario.

IN THE HIGH COURT OF JUSTICE.

In the matter of the Farmers' Bank of Canada and in the matter of the Winding-Up Act.

Pursuant to the order of Mr. Justice Riddell made in this matter on the 24th day of December, 1910, a meeting of the creditors of the Farmers' Bank of Canada will be held at the Board Room of the said bank in the Stair Building, corner of Adelaide and Bay streets, Toronto, on Tuesday, the 17th day of January, 1911, at 11 o'clock in the forenoon, and on the same day at the same place, at 2.30 o'clock in the afternoon, a meeting of the shareholders will be held, the purpose of such metings being that the wishes of the creditors and shareholders respectively may be ascertained as to the appointment of liquidators under the Winding-Up Act.

By the same order the further consideration of the petitions presented herein was adjourned until Monday, the 23rd day of January, 1911, at 10 o'clock in the forenoon and the said petitions will then be heard by the Hon. Mr. Justice Riddell in Chambers

at Osgoode Hall in the city of Toronto, and notice of such hearing is pursuant to the said order hereby given to all parties entitled to be heard.

Dated this 24th day of December, 1910.

F. ARNOLDI,
Clerk in Chambers.

BICKNELL, BAIN, STRATHY & MACKELCAN,
Lumsden Building, Toronto, Ont.,
Solicitors for Petitioner.

THE FARMERS' BANK OF CANADA.

MEMORANDUM *of Report to Meetings of Shareholders and Creditors, held on the 17th day of January, 1911.*

The notice calling the meeting, which notice was issued by the High Court of Justice, was read, and, upon motion, Mr. Tyson was appointed secretary, Mr. G. T. Clarkson being chairman by virtue of the order of the Honourable Mr. Justice Riddell.

The chairman read the interim statement of affairs as attached, and, in connection therewith, said:—

The liabilities first shown upon the statement of affairs are those due to depositors in, and holders of drafts issued by, the various branches of the bank. As you will see, the total amount of deposits and drafts is $1,281,774.00, which includes interest up to the 19th December on interest bearing accounts; of this $1,281,774.00, the amount of the savings was $992,490.00, and current accounts $289,284.00. The amount of deposits allocated to Toronto branch includes a deposit of J. S. Saunders, of this city, who withdrew $45,000.00 of it from the bank on the date of suspension. Acting on the advice of counsel suit was commenced against Saunders for the return of this money, and it now rests with the courts to determine whether he is entitled to hold it or not. The money was paid to him in Farmers' Bank bills, which are now in the hands of a bank of this city, pending determination by the court. Included in the Haileybury returns is a claim for $2,000.00, withdrawn under similar circumstances by one Robins, and against him action has also been taken. Further action will be taken in regard to another amount of $600.00 withdrawn on the same date, and question has arisen with regard to certain withdrawals at one of the branches. These matters will all require to be carefully looked into.

There are a number of questions to be considered in respect to deposits and claims on drafts. In instances where deposits were made on the day of the suspension, and a few days prior thereto, cheques and drafts, and which were in transmission for collection at the time of the suspension, have been stopped payment of. I have been advised that the bank is entitled to collect on these cheques, but as there is contention on the point, a writ has been issued in one instance where $6,400.00 is involved, so that the question may be determined by the court. If the court holds that the bank is not entitled to the moneys, the cheques will have to be returned to the maker, and, on the other hand, if judgment is given in favour of the bank, the amount of these cheques will have to be paid by the depositors and makers.

In instances where deposits were made on the date of suspension, questions have arisen as to whether the same were made before or after the suspension, and, as the exact hour of the suspension is somewhat in doubt, the court will have to determine the question; all depositors who made deposits on the 19th instant are, therefore, requested to give full particulars of the same to the bank, so that their claims may be looked into when the question has been decided.

Depositors whose deposits bore interest are entitled to have the interest added to their accounts up to the 19th December. In order to facilitate the filing of claims, a

statement will be sent out from the bank naming the amounts at the credit of each depositor, inclusive of interest, so as to obviate the expense and trouble to which depositors would be put if required to file sworn claims. Of necessity, this will take a little time to do.

Questions are arising as to the rights of depositors to offset the amounts of their deposits against overdrafts and notes held by the bank, and this matter will be brought before the court in the winding-up proceedings at the earliest possible moment. In the meantime, any depositor having a note or overdraft due to the bank is advised to pay the difference between the amount to his credit and the amount of such note or overdraft, so as to facilitate the collection of assets. The payment of the balance can rest until the question of the right to offset has been determined.

Payments due on capital stock are in the same position, but depositors are not legally entitled to offset the amounts which may become due by them on double liability against their deposits and overdrafts.

With reference to the claims of those who held drafts issued by the bank, would say that the bank held a note on collection for any person or firm, and such collection was held by the bank, in trust, and not for value given, the owner of the bill may be entitled to recover the amount collected by the bank if the payment received by the bank was on hand at the time of suspension in its original form, so as to distinguish it from the other assets of the bank. Where, however, drafts were purchased from the bank for the purpose of remitting money the holders of such drafts are merely ordinary creditors against the estate.

I draw your attention to the last item on the first page, 'Reserve to cover sundry claims,' such amount has been added to the liability of the bank to cover contingent liabilities such as law costs, advertising, supplies purchased, etc., and claims have already been filed to an extent which would seem to indicate that the reserve will be largely, if not wholly, used up.

Preferred claims.—With respect to preferred claims, would say that according to section 131 of the Bank Act, the notes issued by the bank constitute a first charge upon its assets; according to the books of the bank the bank has obtained from the Bank Note Printing Co. $825,000 bank notes, and the amount of the same on hand at the time of suspension was $286,635, leaving outstanding $538,365, and this amount, together with interest from 19th December, is a first lien upon the assets.

The second lien upon the assets is the amount of the deposit with the Ontario Government $26,533.16, and it is a lien by virtue of clause C, section 131, of the Bank Act, which makes it a preferred claim.

No particular comment need be made on the item for branch salaries and charge account, as it states the amounts owing to the officers of the Bank at the time of suspension.

The preferred claims will all have to be paid in full before any dividend can be paid to other creditors.

Secured claims.—The secured claims consist of a claim of the Trust and Guarantee Company secured by hypothecations of Keely Mine bonds, other industrial bonds and customers' paper. The Trust and Guarantee Company appeared to have advanced to the Bank in February, 1910, the sum of $75,000, at which time it took as security $120,000 stock in the American Piano Company, which stock was subsequently sold for $85,000. The stock had been hypothecated to the Bank as collateral to a call loan and under the terms of agreement the Bank may be able to claim on the maker of the call loan for the deficiency. Whether it will recover anything or not is another question. On July 30, 1910, the Trusts and Guarantee Company appear to have loaned to the Bank another amount of $100,000, at which time it is said that the Bank hypothecated to the Trust Company Keeley Mine bonds amounting to $1,000,000, which had been left with the Bank by the Mining Company as security for the debt due by the

Mining Company to the Bank. These two advances were used by the Bank in meeting obligations and it is also said principally in meeting its clearing house balances.

The Trust and Guarantee Company was also depositing in the Bank to an extent and in a re-adjustment of the accounts between the Bank and the Trust Company had obtained a deposit receipt for $120,000. It claims to be entitled to hold the securities which it obtained on the other two advances as security also in connection with the deposit receipt under the terms of agreement with it. Nevertheless, it began to press the Bank for further security with the result that on November 3 last a transaction was put through by which the Trust and Guarantee Company purported to advance to the Bank $295,000, for which it claims it was given as security $300,000 of customers' paper, $1,000,000 Keeley Mine bonds and $75,000 industrial bonds. Out of this advance of $295,000, it then purported to pay its two loans of $75,000 and $100,000, also its deposit receipt of $120,000. Inasmuch as the transaction involves a large amount of money and had the practical effect of preferring those creditors who received payment as the results of the advances being made, the validity of the transaction with the Trust Company has not been admitted, but steps are being taken to insure that the rights of the creditors of the Bank are protected until such time as the transaction can be more effectually gone ito. The transaction will be gone into in the course of the liquidation proceedings.

Capital stock.—The subscribed capital stock of the Bank appears according to its books to be $584,000 and upon it $16,921 would appear to be unpaid at this date. I am of the opinion that examination will show further stock unpaid.

When discussing the matter of capital stock I think it right to inform you as to what I have learned regarding the incorporation and formation of the Bank, including the obtaining of its certificate from the Treasury Board. According to the Bank Act it is necessary for any bank seeking incorporation to have the sum of $500,000 capital stock subscribed in a bona fide manner and, at least, $250,000 cash paid upon such bona fide subscription. The charter of this bank had been obtained about two years before it held its organization meeting and there was danger of it expiring. The organization meeting was called for the 26th November, 1906, and it is said that shortly before the meeting some of those persons who were to have been actively identified with the Bank, withdrew, and their withdrawal made the subscription list deficient. To overcome this, it is said that certain subscriptions were added to the list, particularly one of $50,000, and antedated, so as to make the subscription list regular, and permit the obtaining of the certificate to do business. At the time of the organization meeting on November 26, 1906, the stock subscription book of the Bank shows that it had subscriptions for $579,000 worth of stock, including the subscriptions previously spoken of. Of these subscriptions it is said that between $50,000 and $75,000 were worthless and uncollectable, being subsequently cancelled, and, in addition, there was a further amount of stock cancelled, and it would appear that of the $579,000 stock, between $125,000 and $150,000 was in all cancelled after the certificate had been obtained.

In addition to having the subscriptions to the amount mentioned, it was necessary for the bank to have received in payment thereupon the sum of $250,000. The subscription books show that the provisional board had $291,310, and amounts are allocated as payments on each subscription sufficient to produce the total. It is conceded that in very many cases such payments had not been made by subscribers, and that what really happened would seem to be as follows: The directors had collected about $211,000 from subscribers in cash, but out of it they had paid $41,000 for expenses, leaving in their hands $170,000. They then turned over subscribers' notes to W. R. Travers, who was in control of the provisional board, and he in his own name borrowed on these notes $80,000, which amount, with the $170,000 mentioned, made up the $250,000 necessary for the government deposit. The money was then transferred to the Receiver General, and when he returned $245,000 to the bank, the amount was deposited with the Traders' Bank, and out of it $80,000 was

checked out to the Trust and Guarantee Company, who held it apparently on deposit for the benefit of the bank. Checks were issued out of this amount to the Trust and Guarantee Company for the full amount in three payments, and they released the subscribers' notes left with them by Travers. The bank, therefore, was left with but $170,000 of actual paid up capital and the subscribers' notes; it is apparent, therefore, that the certificate was obtained by an evasion of the Bank Act, if nothing worse.

In as much as the stock of the bank was at that time sold at par, it will be apparent that when the bank commenced business its liabilities were greater than its assets by the $41,000 paid out for organization expenses. To cover this up, certain entries were put through the books and a note given by the general manager, which note was afterwards charged up to the Keeley Mines Stocks and Bonds Account. Under these conditions it is apparent that the returns to the government were misleading from the start.

It is apparent that several transactions have taken place in connection with the capital stock of the bank, which will need to be very closely examined into. At one time the subscribed capital of the bank was returned as $1,000,000, being afterwards reduced to the figures it now rests at. It would appear that the increase was due to a certain transaction which was entered into with a concern known as the Continental Security Company of Winnipeg, which company it is said had no responsibility under the terms of which it subscribed for $510,000 of stock of the bank, and was allowed an overdraft to the amount of $538,000 by the bank in order to permit it to pay for the stock; the securities company were also allowed a further overdraft to the extent of $150,000, and out of the same it paid certain notes held by the bank for stock subscribed for by other people, took up notes given to the bank in order to hide expenditure on organization account and covered a large amount transferred to the credit of the general manager for his personal account; this latter forms part of the claim against him for theft.

The total amount of the overdraft allowed in the Toronto office books was $687,000, including a large amount for interest which the bank took the benefit of as a profit when it in reality was not earned or paid.

When it became apparent that the Continental Securities Company could not carry the transaction through, some $50,000 or $60,000 of the stock subscribed for by it was sold to other parties and paid for; the balance was cancelled and written off the books, and a large amount charged up to the Keeley Mine Stocks and Bonds Account in order to clear up the transaction; the stock was in this manner reduced. I regard the whole transaction as most irregular and improper, and there certainly will be a liability to the bank on the part of various persons in connection therewith; how much the bank will benefit out of the same is a question—I am afraid it cannot look for any substantial recovery; the whole matter, however, is one that will have to be gone into to the fullest detail in the proceedings before the court.

ASSETS.

The first five items of the Assets constitute what are called Cash Assets, and represent either cash or liquid securities. These assets should be expected to yield par value, but in some instances Creditors of the Bank who hold drafts and notes for collection claim to be entitled to retain the same in satisfaction of their claims, which are included in the liabilities. In instances, also, payment has been refused upon cheques in the hands of the bank, and suit has been undertaken against some of the makers for the purpose of determining whether they have any right to do so.

The deposit with the Dominion Government will be held by it to secure the note circulation, and when the notes have been paid, returned to the bank for the benefit of creditors generally.

The stocks and bonds consist of industrial bonds which were believed to be worth the amount stated at the time the statement was made. The undertakings they cover,

however, are subject to vicissitudes of business, and it is possible that the bank may not be able to realize its entire investment therein, but it is hoped that it will do so to a very large extent.

The surplus in customers' paper held by the Trust and Guarantee Company is the amount which is expected will be realized from the same. Since the statement was prepared, it has been apparent that on some of this paper there will be a loss, and therefore, the item will probably not be realized in full.

The current loans, discounts and past due bills held at the Toronto office, and branches, amount to $684,130.04, and I have valued the same, to the best of my ability, with the information which the bank's officers are able to give me, at $241,-434. The discounts include a number of accounts upon which it is certain that the bank will make heavy losses, and I hardly hope to procure more than the amount of the valuation from the same. It is not in order to discuss the details of these loans; as it would be prejudicial to the interests of the creditors to do so, but I think I am doing no wrong in saying to you that there is one instance in which the bank will loose $100,000 on a single account.

Claims for withdrawals after suspension are those in connection with suits which have been brought for the return of money taken out of the bank on the day of suspension. As matters are now before the court I am not in a position to say more to you than that the bank claims to be entitled to a refund of these funds, for the general benefit of the creditors, on the ground that the withdrawers received unjust preference.

Bank Premises.—The cost of the bank premises has been put into the statement at the amount charged in the books, but this amount is undoubtedly in excess of the cash expenditure of the bank in that behalf, and I do not look to the estate recovering more than between $60,000 and $70,000 for the whole of the item. There have been irregularities in connection with this account, and items of very considerable amount have been charged to it in order to cover expenditures in other directions. The whole of the transactions in connection with this item call for the closest scrutiny, and it is one of the matters which will have to be gone into carefully in the examination which will be held before the court.

Stationery on Hand.—This item appears in the books of the bank as $30,000, nothing having been written off it since the date of its purchase, although it was constantly being used, and the supply thereby diminished. I have therefore placed it at $2,500, which is merely a rough estimate. The amount due upon capital stock, $16,921 represents the amount due upon subscription.

The other assets consist of claims under guarantee bond and deposit for $500.

Re Keeley Mine.—Discussing the item of the Keeley Mine account, I think it right to inform you rather at length as to the history of this company and its connection with the bank, so far as I am able. It would appear that Beattie Nesbitt, on the 18th April, 1908, obtained an option on the property at the price of $300,000, payable $50,000 on the 18th May, and the balance in instalments spread over a period of time. On the 18th May, Nesbitt entered into an agreement under the terms of which Wishart Travers, and the Farmers' Bank were to participate in all benefits received by him from the option, and on the same day, he executed an additional agreement to the effect that he was not to deal with the option without the consent of the Farmers' Bank of Canada. In May 1906, the Keeley Jowsey Wood Mine Limited was formed, and, at a meeting of the Provincial Directors held in May, a resolution was passed by the Board to purchase the option mentioned from Dr. Beattie Nesbitt, and to issue to him $999,975 stock, out of a total of $1,000,000 in payment therefor, and on the same day, George Wishart was elected President, Dr. Beattie Nesbitt, Vice-President, the third Director being W. R. Travers.

On the 20th May, the bank made an advance to George Wishart of $25,397, and also to the Keeley Jowsey Wood Mine of $25,000, apparently to take care of a payment to be made under the terms of the option agreement. From this time forward, the bank continued to advance to the mine, and, so far as I can ascertain, no other money, except the bank's money, ever went into the mine.

According to the by-laws of the bank, the Managing Director was prohibited from lending more than $10,000 to any person, firm or corporation, without specific authority of the Board. In June, 1908, a credit of some amount of four figures was given to the Keeley Jowsey Wood Mine Limited, and approved of by the Board of Directors; subsequently, the minute authorizing this advance, was changed, so that, in its changed form, it permitted the General Manager of the bank to advance to the mine in his discretion. It is claimed that the change in this minute constitutes a forgery, and a claim has been laid against the late manager of the bank in connection therewith.

The bank continued to advance to the mine in large amounts until December 4, 1908, when, at a meeting of the shareholders, at which were present Wishart, Nesbitt and Travers, authority was given to sell the assets of the Keeley Jowsey Wood Mine Limited to the Keeley Mine Limited, on condition that the stock in the latter company be issued one-fifth to Travers, one-fifth to Wishart, one-fifth to Beattie Nesbitt, one-fifth to the Farmers' Bank of Canada and the remainder to remain in the treasury.

On June 10, 1905, the shareholders of the Keeley Jowsey Wood Limited confirmed this, and appointed the Chief Accountant of the Bank, liquidator of the company.

The Keeley Mine then took over the property and W. R. Travers as secretary thereof obtained moneys from the bank until the obligation of the mining company for cash advanced now appears to amount to $621,000. Included therein are two items amounting to $35,000, the proceeds of which did not go to the benefit of the mining company, but to Travers personally. Transactions connected with the procuring of this money are now under consideration by the Crown authorities.

The accounts of the mining company would seem to indicate that, with the exception of the $35,000 above mentioned, and three hundred thousand dollars paid for the property, the advances made by the bank to it was expended on the property. Considering, however, the large amount of money advanced by the bank to the mining company, creditors and shareholders will not be content to accept the auditor's statements, but it will be necessary to investigate expenditures of the mining company in order to ascertain whether any diversion of money for other purposes was made.

In considering advances made by the bank to the mining company by way of loans, you will notice from what I have said that there was a distinct by-law of the bank prohibiting the general manager of the bank from making advances to any persons, firm or corporation over $10,000 without the approval of the board at a regular meeting. Advances were made by the general manager to the extent of $50,000 in this connection before the matter was drawn to the attention of the board, when a credit for some minor amount was obtained, and the minutes afterward falsified, so as to permit him to do what he saw fit. The original company having liquidated there is no authority upon the books of the bank permitting any advance to be made to the Keeley Mine Limited, neither is there any record whatsoever of the transaction having come before the board, excepting in one instance, where the bank is compelled to take over the Beattie Nesbitt stock in the hope of saving the advances made upon his credit. The board of directors deny absolutely, and completely, any knowledge whatsoever of the fact that the bank was advancing to the mine, and if they are able to convince the court that, individually, or severally, they had no such knowledge, it will then be apparent that the general manager carried these transactions through upon his own responsibility.

The propriety of the whole transaction is open to question, particularly when, as you will observe, the bank was expected to, and did put up the whole of the money for the purchase and operation of the mining company, when, at the most, it was to receive one-fourth of the profits, which might have been made from the undertaking, and stand the whole of the loss. There can be no doubt that the general manager of the bank was in a position of trust and it was his abuse of his position which allowed this condition of affairs to obtain.

We now come to the last item on the statement, Keeley Mines stocks and bonds account, $535,000. It is in regard to this item in particular that action was taken against the general manager of the bank on the ground that he rendered false returns to the government; but $75,000 of that amount represents actual cash expenditures by the bank in purchase of stock of the Keeley mine, and this $75,000 represents $60,000 credited to Beattie Nesbitt in liquidation of debts which he owed to the bank in consideration of his passing over to the bank $250,000 Keeley Mine stock, $10,000 to F. Crompton for $100,000 stock in Keeley Mine Company, and $5,000 to F. C. Whitney for $50,000 stock in Keeley Mine Company.

The remainder of the account has been used to cover up losses made by the bank, and excepting to the extent of about $156,000, which amount it is claimed the general manager of the bank obtained for his own personal purposes, transferring $150,000 of Keeley Mine stock on account thereof.

It was partly in regard to part of this latter item that the Crown took criminal action against him.

So far as I can make out, the position assumed by the manager of the bank was that, as the bank had obtained $500,000 of stock in the Keeley Mine, as a bonus for financing it, he had the right to allocate to this stock such value as he should see fit, and to charge up against that value any amounts which the bank might lose, or that he might think necessary in order to present a profit sufficient to allow him to pay dividends. To this contention, I am utterly unable to agree.

The board of directors claim to have had absolutely no knowledge of what was being done in this connection, and there is nothing in the minutes of the bank to show that the matter came to their attention. It will, however, be necessary for the directors to prove to the court that they had no knowledge of it, for as members of the board will no doubt appreciate, it was quite possible for them to have thoroughly canvassed the situation from time to time, and deliberately left the particulars of the discussion out of the minutes of the bank.

The item was carried in the government returns under the heading of 'Stocks and Bonds Account' and the question must surely arise as to why the directors did not obtain particulars of what the stocks and bonds were when they were considering the statements of the bank from time to time. It is possible, but it would seem almost improbable that they did not do so. In my opinion, however, and without casting reflection upon the directors personally, it would seem to me that the board was one particularly unfitted to be a board of a financial institution, in as much as many of the members were not familiar with financial matters.

The statement of affairs discloses a nominal deficiency of $436,000. This does not cover all the losses made by the bank by a considerable amount, as you will realize from what I have just told you. So far as I can ascertain the bank has lost at least $780,000 in its four years in business. The amount disbursed in organization expenses and stock subscriptions was not less than $55,000, and very probably it will be found to have been considerably more. The business of the bank has been conducted at a loss from the beginning. In 1907 its expenses were greater than its profits by $66,666; in 1908 its expenses were greater than its profits by $44,975, and in addition that year paid a dividend aggregating $19,344; in 1909 its expenses were greater than its profits by $30,422, and in addition to that paid dividends of $22,410; in 1910 it lost $46,255 and in addition paid a dividend of $11,324. In the four years

of its existence, therefore, its losses in business (apart from bad debts) amounted to not less than $171,319, while it paid dividends to the extent of $53,078 out of capital.

Beyond these losses on operation, the bank stands to lose at least $440,000 on bad debts (in addition to $30,000 or $40,000 which is lost by reason of defalcations)—the total amount of these items aggregate about $780,000, and they were charged $234,000 against Keeley mines stock and bonds account, $110,000 against other accounts and left the deficiency of $436,000 as shown by the statement of affairs. That there will be other losses is undoubted, but it will mean carefully going over the books before they can be ascertained.

The Keeley mine stock account of $535,000 includes $75,000 paid for stock in the Keeley mine, $234,000 of losses, $156,000 money taken by the manager and the balance of $70,000 charged up for other items. I carried this account in the statement of affairs at its fact value by reason of the bank owning $1,025,000 stock in the mining company, which stock may, or may not have a value according to the disposition which it may be found possible to make of the mine in future. I have not had the mine valued for the reason that any valuation made would be criticised, and I deem it distinctly against your interests and the interests of the bank that any statement should be made which would have an effect either of creating too much optimism in your minds or else of depreciating the price and perhaps compelling the bank thereby to take a lesser price than it might be able to obtain under other circumstances. Already a number of inquiries have been made for the mine, and it is probably that these inquiries would not be made unless the mining property had a substantial value, either speculative or in fact.

Considering the whole position of affairs of the bank, therefore, you will see that the prospect is not at all bright; shareholders can look for no return, but, on the other hand, I see little chance of their escaping a double liability. I do not advise creditors to look for more than a partial return of their claims, but I am not prepared at this time to make any estimate as to what this return will be.

It is apparent that the bank commenced business when it should not have done so; there was an impairment in its capital from the very start; the class of business which it took, excepting in the country branches, was not good, and in too many instances the bank supported undertakings to which it was lending money. Under these conditions the bank would have had a hard enough road to hoe anyway, but, when undertakings were entered into and the bank's money loaned to corporations in which an executive officer of the bank had a personal interest, it is apparent that its chances of success were not increased, and when the general manager of the bank undertook to abuse his trust and to use the moneys of the bank for his own personal benefit, violating the criminal laws and the by-laws of the bank and the confidence of everybody concerned, there could be but one end to it. As I have before stated, the personel of your board of directors was not a means of strength so far as looking after the interests of the bank, under these circumstances, was concerned, in as much as they were hardly capable of discovering a number of the transactions entered into had they been alive to the necessity of investigating them, although I cannot see how they should have overlooked inquiring into the quality of the assets disclosed by the annual statements. If they are able to show to the courts that they were innocent of the condition of affairs, then I think you can attribute the failure of this bank to the dishonesty of the general manager.

RE KEELEY MINES.

On the 18th April, 1908, Dr. Beattie Nesbitt obtained an option on the property for $300,000, payable $50,000 on the 18th May, and the balance in instalments spread over a period of time.

On the 18th May, 1908, Dr. Beattie Nesbitt entered into an agreement under the terms on which Wishart, Travers and the Farmers' Bank were to participate in all

benefits received by him from the option, and on the same day, he executed an additional agreement to the effect that he was not to deal with the option without the consent of the Farmers' Bank.

In May, 1908, the Keeley Jowsey Wood Mine Limited was formed, and, at a meeting of the Provincial Directors held in May, a resolution was passed by the Board to purchase the option from Dr. Beattie Nesbitt, and to issue to him the whole of the capital stock except $25, the capital stock to be $1,000,000 in payment for the option. On the same day, Wishart was elected President of the company, Nesbitt Vice-President and Travers was the third Director.

On the 20th May, the bank made an advance to Wishart of $25,397, and to the Keeley Jowsey Wood Mine of $25,000, apparently to take care of a payment of $50,000 to be made under the terms of the option agreement on or about 18th to 20th May. There was no authority at this time given to Travers to advance the money of the bank; such authority was not obtained until June 17 following. The by-laws of the bank prohibited the Managing Director from lending more than $10,000 of the bank's funds to any person, firm or corporation without specific authority of the Board.

On June 17th, 1908, a credit to some amount in four figures was given to the Keeley Jowsey Wood Mine Limited, and approved of by the Board of Directors, subsequently, the minutes authorizing this advance was changed, so that in its changed form it permitted the General Manager of the bank to advance to the mine in his discretion. It is claimed that the change in these minutes constituted a forgery and the Crown are taking action in connection therewith.

The bank continued to advance money to the mining company, in large amounts, until December, 1908, when the shareholders of the Keeley Jowsey Wood Mine agreed to sell its assets, subject to its liabilities, the liability to the bank then being about $150,000 to the Keeley Mine Limited, on condition that the stock in the latter, which amounted to two and a half million dollars was to be issued, one-fifth to Travers, one-fifth to Nesbitt, one-fifth to Wishart, and one-fifth to the Farmers' Bank, and the balance to remain in the treasury. This transaction was put through and the Keeley Jowsey Wood Mine was wound up, Fitzgibbon, the chief accountant of the bank, being the liquidator.

No authority appears on the books of the bank authorizing any advance to the Keeley Mine Limited, the Keeley Mine however assumed the liability of $150,000 of the Keeley Jowsey Wood Mine, and from that time forward, the bank loaned to the company another $471,000 so that at this date, the mining company is indebted to the bank in $621,000 for actual cash advanced. Of this $621,000 advanced to the mine, the general manager of the bank, Travers, took for his own benefit, $35,000 in two amounts of $15,000 and $20,000. The $15,000 obtained on October 6th, 1909, from the bank, when he discounted a note of the Keeley Mine in the bank for $15,000, and had the proceeds put to his own credit, subsequently using the same.

The mining company books show this advance of $15,000 from the bank, and they also show the Manager Travers, indebted to the company in the same amount, but, in the statements of the mining company rendered to its shareholders, both of these items are eliminated and not shown, showing that Travers was deceiving the shareholders of the mining company.

With regard to the $20,000, it covers an amount obtained from the bank by Travers on November 3, 1910, when he discounted a note of the Keeley Mine in the bank and had the sum put to his credit. This note is still in the bank, but the mining company has never received any of the money nor did it get any benefit. This means that out of the $621,000 advanced to the mine, $35,000 went to Travers for his personal use, and $585,000 apparently to the company.

RETURN

(110c)

To an Address of the House of Commons, dated the 16th January, 1911, for a copy of all applications, petitions, letters, telegrams and other documents and correspondence, and all Orders in Council and certificates, relating to or connected with the establishment of the Farmers' Bank of Canada and its operations.

CHAS. MURPHY,

Secretary of State.

HOME LIFE BUILDING, VICTORIA STREET,
TORONTO, Oct. 8, 1906.

Counsel:
Wallace Nesbitt, K.C.

Honourable W. S. FIELDING,
Minister of Finance,
Ottawa.

My Dear Mr. FIELDING,—I have been consulted on behalf of a number of subscribers to the shares of the Farmers' Bank, and from the instructions I have received a number of the subscribers will dispute the bona fide character of the subscriptions. I have not time to-night to give a full statement of the grounds of this request to you, but I beg to assure you that grave conditions have arisen which will require careful consideration before the Treasury Board would grant any certificate for the organization of this bank.

I therefore ask you to be good enough to stay any action which might be taken until I have had an oportunity of discussing this with you. If it is not asking you to hold it too long, I would prefer not having to go to Ottawa this week, but will go any day next week which would suit your convenience. Of course if there is no immediate prospect of your granting such a certificate my seeing you at an early date will not be necessary.

LEIGHTON McCARTHY.

CANADIAN PACIFIC RAILWAY COMPANY'S TELEGRAPH.

TORONTO, Ont., Oct. 11th, 1906.

Hon. W. S. FIELDING,
Minister of Finance,
Ottawa.

Please wire me assurance in reference to stay of certificate of Treasury Board mentioned in my letter of Monday night.

LEIGHTON McCARTHY.

CANADIAN PACIFIC RAILWAY COMPANY'S TELEGRAPH.

OTTAWA, October 11, 1906.

LEIGHTON MCCARTHY, M.P.,
Toronto.

No application yet received for the certificate referred to. Please forward your representations immediately and they will be considered when application comes.

W. S. FIELDING,
Minister of Finance.

MINISTER OF FINANCE, CANADA.

OTTAWA, October 11, 1906.

LEIGHTON G. MCCARTHY, Esq., M.P.,
Toronto.

My Dear Mr. MCCARTHY,—I have your letter of the 8th instant and your telegram to-day on the subject of the Farmers' Bank.

I wired you to-day that no application had been made by the promoters for the Treasury Board certificate, and suggested that you send forward at once any representations which you may wish to make, to which we shall give all due consideration.

W. S. FIELDING,
Minister of Finance.

Counsel:
Wallace Nesbitt, K.C.

HOME LIFE BUILDING, VICTORIA STREET,

TORONTO, October 12, 1906.

Honourable W. S. FIELDING,
Minister of Finance,
Ottawa.

My Dear Mr. FIELDING,—Many thanks for your telegram received last night advising me that no application had yet been received for certificate of the Farmers' Bank and asking me to forward representations immediately when they will be considered. This will receive my attention.

I am obliged to you for the telegram.

LEIGHTON MCCARTHY.

HOME-LIFE BUILDING, VICTORIA STREET,

TORONTO, Oct. 19th, '06.

Counsel:
Wallace Nesbitt, K.C.,

Honourable W. S. FIELDING,
Minister of Finance,
Ottawa.

Re The Farmers' Bank of Canada.

My dear Mr. FIELDING,—I beg to inclose the special endorsement upon a writ of summons in the High Court of Justice for Ontario, which will be issued by: William

A. Dixon, John Sproat, George Castle, William McLean, Finlay McCallum, Robert Hume, James Murray, George Denoon, John McLeod, Jane Shuert, William Harris, on behalf of themselves and all other persons alleged to be subscribers for shares of the capital stock of the Farmers' Bank of Canada who may desire to come in and be parties to this action, against The Farmers' Bank of Canada, James Gallagher, John Watson, John Ferguson, Alexander Fraser, Alexander Shepherd, Lown, W. R. Travers, C. H. Smith, A. G. H. Luxton, and the Traders' Bank of Canada, and W. J. Lindsay, and I respectfully request that the Treasury Board will stay any action upon the application of persons professing to act in the name of the Farmers' Bank of Canada, or in the name of the provisional directors of the Farmers' Bank of Canada, for a certificate under section 15 of the Bank Act on the grounds alleged in the inclosed special endorsement, and other grounds which may be disclosed upon the examination of the alleged subscribers for shares.

I have received information that the alleged subscribers for shares paid a large sum of money in cash and have signed notes for other large sums of money, and that the persons professing to act in the name of the bank have transferred notes and received the proceeds, and that a deposit either has been made or will be made of the cash received and the proceeds of these notes, or sufficient amount to make up $250,000.

I wish you to have the kindness to acknowledge the receipt of this protest against the granting of a certificate so that I may advise the shareholders who are disputing their liability, and I would be pleased to go to Ottawa upon any appointment you may make for the further consideration of this matter.

LEIGHTON McCARTHY.

FINANCE DEPARTMENT, OTTAWA, CANADA,

October 23, 1906.

LEIGHTON McCARTHY, Esq., K.C., M.P.,
Messrs. McCARTHY, OSLER, HOSKIN & HARCOURT,
Barristers, &c.,
HOME LIFE BUILDING, VICTORIA STREET,
TORONTO, ONT.

DEAR SIR,—I beg to acknowledge the receipt of your letter of the 19th instant, to Mr. Fielding's address, respecting the Farmers' Bank of Canada.

When application is made by the Farmers' Bank to the Treasury Board for a certificate to enable them to commence business, the representations contained in your letter with its inclosure will be laid before the board.

T. C. BOVILLE,
For Deputy Minister of Finance.

THE FARMERS' BANK OF CANADA.

TORONTO, October 23, 1906.

The Honourable,
The Minister of Finance and Receiver General of Canada,
Ottawa, Canada.

DEAR SIR,—I hereby beg to inclose you certificate No. 1150 from the Bank of Montreal, Toronto, $250,000, to be deposited to the credit of the Farmers' Bank of Canada, in compliance with section 13 of the Bank Act.

Please acknowledge receipt, and oblige,

W. R. TRAVERS,
General Manager.

No. 1150.

Duplicate for Department.

Toronto, Oct. 23, 1906.

Bank of Montreal.

$250,000. .....190.....

Received from W. R. Travers on account of for deposit to credit of Farmers' Bank of Canada the sum of two hundred and fifty thousand dollars, which amount will appear at the Receiver General's credit with this bank.

Signed in triplicate.

H. A. DEAN,
Pro Manager.

FINANCE DEPARTMENT, OTTAWA, CANADA.

October 24, 1906.

The General Manager,
The Farmers' Bank of Canada,
Toronto, Ont.

DEAR SIR,—I beg to acknowledge the receipt of your letter of the 23rd instant, inclosing receipt and draft of the Bank of Montreal, Toronto, for the sum of $250,000 deposited by your bank in compliance with section 13 of the Bank Act.

I may say in this connection that opposition has been filed in this department to the granting of a certificate to your bank under section 14 of the Bank Act.

T. C. BOVILLE,
For Deputy Minister of Finance.

THE FARMERS' BANK OF CANADA.

TORONTO, October 29, 1906.

The Hon.
The Deputy Minister of Finance,
Ottawa, Ontario.

DEAR SIR,—Yours of the 24th, post-marked October 26, was received here on the 27th.

I was surprised to know that anyone had filed an opposition against this bank being granted a certificate.

Would you kindly do me the favour of supplying me with a copy of the said objections as I do not know up to the present moment wherein we have deviated in the slightest effect from the Bank Act.

W. R. TRAVERS,
General Manager.

FINANCE DEPARTMENT, OTTAWA, CANADA.

October 31, 1906.

LEIGHTON G. MCCARTHY, Esq., K.C., M.P.,
Messrs. McCarthy, Osler, Hoskin & Harcourt,
Home Life Building, Victoria street,
Toronto, Ont.

DEAR SIR,—Referring to your letter of the 19th instant, addressed to Mr. Fielding, on the subject of the Farmers' Bank of Canada and the issue of a certificate to

that bank to commence business under section 15 of the Bank Act. I notice recently a reference in the newspapers for a judgment given by Judge Anglin in a suit relating to this matter. In view of the decision rendered I shall be obliged if you will let me know if you still desire the protest contained in your letter to be brought before the Treasury Board upon an application of the Farmers' Bank for a certificate to be considered.

T. C. BOVILLE.

For Deputy Minister of Finance.

Counsel:
Wallace Nesbitt, K.C.

HOME LIFE BUILDING, VICTORIA STREET,

TORONTO, November 1, 1906.

T. C. BOVILLE, Esq.,
Acting Deputy Minister of Finance.
Ottawa.

DEAR SIR,—With reference to yours of the 31st ulto., I will be in Ottawa on Monday or Tuesday of next week when I will do myself the pleasure of calling upon you with reference to the subject matter of your letter.

LEIGHTON McCARTHY.

FINANCE DEPARTMENT, OTTAWA, CANADA.

OTTAWA, November 2, 1906.

W. R. TRAVERS, Esq.,
General Manager, The Farmers' Bank of Canada.
Toronto, Ont.

DEAR SIR,—I beg to acknowledge the receipt of your letter of the 29th instant, and in reply I beg to inclose herewith a copy of a letter addressed to Mr. Fielding by Mr. Leighton McCarthy by way of protest to the granting of a certificate to your bank to commence business. Of the inclosure with Mr. McCarthy's letter I have not sent you a copy as it is lengthy and I have no doubt you already have a copy of it in your possession.

T. C. BOVILLE.

Deputy Minister of Finance.

HOME LIFE BUILDING, VICTORIA STREET,

TORONTO, November 2, 1906.

Counsel:
Wallace Nesbitt, K.C.

Honourable W. S. FIELDING,
Minister of Finance,
Ottawa.

DEAR SIR,—Referring to my letters of the 8th and 9th inst. with reference to the application for a certificate made on behalf of the Farmers' Bank; I am advised by those who are instructing me that the claims made by them in the action brought have been settled by their subscriptions being taken up by some parties interested in the bank and refunding the money paid by the individuals or returning the notes which had been given. The objections which I made on their behalf to the issue of

the certificates are therefore withdrawn. Would you mind therefore returning to me the papers which I forwarded to you.

LEIGHTON McCARTHY.

FINANCE DEPARTMENT, OTTAWA, CANADA,
November 7, 1906.

LEIGHTON G. McCARTHY, Esq., K.C., M.P.,
Messrs. McCarthy, Osler, Hoskin & Harcourt,
Home Life Building, Victoria Street,
Toronto, Ont.

DEAR SIR,—Referring to your letter of the 2nd instant, in the matter of an application of the Farmers' Bank of Canada for a certificate to commense business, I beg to inclose herewith the papers forwarded with your letter of the 19th October.

T. C. BOVILLE,
Deputy Minister of Finance.

FINANCE DEPARTMENT, OTTAWA, CANADA,
November 7, 1906.

W. R. TRAVERS, Esq.,
General Manager, The Farmers' Bank of Canada.
Toronto, Ont.

DEAR SIR,—Referring to my letter to you of the 2nd instant, inclosing copy of a letter addressed to Mr. Fielding by Mr. Leighton McCarthy by way of a protest to the granting of a certificate to your bank to commence business, I beg to state that I am advised by Mr. McCarthy that the objections which he made to the issue of a certificate have been withdrawn.

T. C. BOVILLE,
Deputy Minister of Finance.

FINANCE DEPARTMENT, OTTAWA, CANADA.
OTTAWA, November 21, 1906.

W. R. TRAVERS, ESQ.,
General Manager, The Farmers' Bank of Canada.
Toronto, Ont.

DEAR SIR,—Referring to your letter of the 23rd October, making a deposit under section 13 of the Bank Act of the sum of $250,000, I have no doubt that you will be applying very shortly for a certificate under section 14 to commence business. In the papers to be submitted to the Board in support of the application there is a list of bona fide subscribers of capital stock of the bank showing subscriptions to the extent of $500,000. Would you be so good as to have added to this list, for submission to the Board, a statement showing the actual amount of cash paid up by each subscriber.

T. C. BOVILLE,
Deputy Minister of Finance.

THE FARMERS' BANK OF CANADA.
TORONTO, November 27, 1906.

Deputy Minister of Finance,
Parliament Buildings,
Ottawa, Ont.

DEAR SIR,—I have the honour herewith to forward declaration of the General Manager of the Farmers' Bank of Canada setting forth facts relating to the incor-

poration and organization of the said Bank, and also giving the names of the Directors elected at the meeting of Subscribers and such other particulars as are required by the Bank Act. The provisions of the Act as to subscriptions and deposit with the Receiver General having been fully complied with on behalf of the said bank, I apply for the Certificate of the Treasury Board permitting the said bank to commence the business of banking.

W. R. TRAVERS,
General Manager.

DOMINION OF CANADA,
Province of Ontario,
County of York.

To wit:—

IN THE MATTER of the Bank Act and Amendments and of the Farmers' Bank of Canada.

I, William R. Travers of the City of Toronto in the County of York, General Manager of the Farmers' Bank of Canada, do solemnly declare:—

1. The Farmers' Bank of Canada was duly incorporated by an Act of Parliament of Canada, being chapter 77 of the Statutes of 1904; The said Act of Incorporation was amended by a further Act of the Parliament of Canada being chapter 92 of the Statutes of 1905, and was further amended by an Act of the Parliament of Canada, being chapter 94 of the Statutes of 1906. A true copy of each of the said Acts are now shown to me and marked Exhibit 'A' to this my declaration.

2. The Provisional Directors of the said Bank proceeded in accordance with the Bank Act to open the stock books and issued a prospectus. A true copy of the said prospectus is now shown to me and marked Exhibit 'B' to this my declaration.

3. On or about the Twenty-second day of March, 1906, I was appointed by the Provisional Directors General Manager of the Bank and still occupy the same position, and have knowledge of the matters hereinafter set forth.

4. On the Twenty-third day of October, 1906, there had been actually bona fide subscribed five thousand seven hundred and fifty-seven shares of the Capital Stock of the Farmers' Bank of Canada and I have had personal knowledge of the applications and subscriptions and each and all of the said susbcriptions is and are on the printed form of application—a copy of which is now produced and marked Exhibit 'C' to this my declaration, and that the said subscription appeared on the stock books of the said Bank, and that a sum beyond $250,000 thereof in cash has been actually paid in by the subscribers of the same.

5. Now shown to me and marked Exhibit 'D' to this my declaration is a list of the subscribers to the Capital Stock of the said Bank correctly setting forth as to each subscription the name of the subscriber, his address, the number of shares subscribed for by him, the amount of such shares and the amount paid in thereon. Each of the said subscriptions is a bona fide subscription to the Capital Stock of the said Bank.

6. The Provisional Directors of the said Bank on the said Twenty-third day of October, 1906, caused $250,000 of the moneys so paid in and which actually had been received in respect of the shares of the Capital Stock of the said Bank to be deposited in the Bank of Montreal to the credit of the Minister of Finance and the Receiver General and that the deposit receipt therefor was forwarded to the Deputy Minister of Finance who acknowledged receipt of the same under date of the twenty-fourth day of October, 1906.

7. In accordance with the provisions of the Bank Act the Provisional Directors by public notice for at least four weeks, called a meeting of the subscribers to the said stock to be held at the offices of the Bank in the Stair Building, corner Bay and

Adelaide streets in the City of Toronto in the Province of Ontario on Monday the Twenty-sixth day of November, 1906, at ten o'clock in the forenoon.

8. The said notice appeared by advertising in the issues of the *Canada Gazette* dated October 27th, November 3rd, 10th, 17th, and 24th, and the same notice also appeared in the issues of the Toronto Daily *Globe*, dated October 24th, 25th, 26th, 27th, 29th, 30th, and 31st, and November 1st, 2nd, 3rd, 5th, 6th, 7th, 8th, 9th, 10th, 12th, 13th, 14th, 15th, 16th, 17th, 19th, 20th, 21st, 22nd, 23rd, 24th, and 26th, and the said notice also appeared in the issues of the Toronto Daily *Mail and Empire*, dated October 24th, 25th, 26th, 27th, 29th, 30th, 31st, and November 1st, 2nd, 3rd, 4th, 5th, 6th, 7th, 8th, 9th, 10th, 12th, 13th, 14th, 15th, 16th, 17th, 19th, 20th, 21st, 22nd, 23rd, 24th, and 26th. A file of the issues of the Toronto Daily *Globe* and of the Toronto Daily *Mail and Empire* containing the said advertisement are produced and marked Exhibit 'E' to this my declaration.

9. A printed copy of the said notice was also sent by post letter prepaid to each of the subscribers of the Capital Stock of the Bank at the address of such subscriber upon the books of the Bank by depositing the same in the General Post Office Branch B, Toronto, on the Twenty-third day of October, 1906. One of the said individual notices is now shown to me and marked Exhibit 'F' to this my declaration.

10. I acted as Secretary to the said meeting of subscribers holden on the said Twenty-sixth day of November, 1906, and at the said meeting upwards of eighty subscribers were present in person and upwards of three hundred and seventy subscribers were represented by proxy. The subscribers adopted by-laws for the bank and determined the day upon which the annual general meeting of the Bank is to be held being the fourth Monday in November in each year, and the subscribers elected nine directors duly qualified under the Bank Act to hold office until the annual general meeting in the year 1907. The directors so elected are as follows:—

Lt.-Col. R. McLennan of Cornwall, Ontario.
Lt.-Col. Jas. Munro, M.P., of Embro, Ont.
Allan Eaton, Esq., of Mount Nemo, Ont.
Robt. Noble, Esq., of Norval, Ont.
W. G. Sinclair, Esq., of Zimmerman, Ont.
A. Groves, Esq., M.D., of Fergus, Ont., and
N. M. Devean, Esq., W. Beattie Nesbitt, M.D., and John Gilchrist, Esq., of Toronto, Ont.

11. The provisions of the Bank Act as to the subscribers to the Capital Stock of the said bank and the deposit with the Receiver General and as to the notice of the said meeting of subscribers and the proceedings of the said meeting have been fully complied with and pursuant to the direction of the said meeting of subscribers and Board of Directors elected at such meeting application hereby is made for the Certificate of the Treasury Board to permit the said bank to commence the business of banking in accordance with the said Act.

And I make this solemn declaration conscientiously believing it to be true and knowing that it is of the same force and effect as if made under oath and by virtue of the Canada Evidence Act, 1893.

Declared before me at the City of Toronto in the County of York this twenty-seventh day of November in the year of our Lord, 1906.

W. R. TRAVERS.

W. H. HUNTER,
A Com., &c., in H.C.J.

4 EDWARD VII., CHAPTER 77.

An Act to incorporate the Farmers' Bank of Canada.

(Assented to 18th July, 1904.)

WHEREAS the persons hereinafter named have, by their petition, prayed that an Act be passed for the purpose of establishing a bank in Canada, and it is expedient to grant the prayer of the said petition: Therefore His Majesty, by and with the advice and consent of the Senate and House of Commons of Canada, enacts as follows:—

1. The persons hereinafter named, together with such others as become shareholders in the corporation by this Act created, are hereby constituted a corporation by the name of "The Farmers' Bank of Canada," hereinafter called "The Bank."

2. The Capital Stock of the bank shall be one million dollars.

3. The chief office of the bank shall be at the City of Toronto.

4. James Gallagher, of the village of Teeswater, John Watson, of the town of Listowell, John Ferguson and Alexander Fraser, both of the City of Toronto, and Alexander Shepherd Lown, of the village of Drayton, shall be the provisional directors of the bank.

5. This Act shall, subject to the provisions of section 16 of the Bank Act, remain in force until the first day of July, in the year one thousand nine hundred and eleven.

4—5 EDWARD VII., CHAP. 92.

An Act respecting the Farmers' Bank of Canada.

(Assented to 20th July, 1905.)

WHEREAS the Farmers' Bank of Canada has by its petition prayed that it be enacted as hereinafter set forth, and it is expedient to grant the prayer of the said petition: Therefore His Majesty, by and with the advice and consent of the Senate and House of Commons of Canada, enacts as follows:—

1. Notwithstanding anything contained in the Bank Act, or in chapter 77 of the Statutes of 1904, incorporating the Farmers' Bank of Canada, the Treasury Board may, within two years after the eighteenth day of July, one thousand nine hundred and four, give to the said Bank the Certificate required by section 14 of the Bank Act.

2. In the event of the said bank not obtaining the said certificate from the Treasury Board within the time aforesaid, the rights, powers and privileges conferred on the said bank by the said Act of Incorporation and by this Act shall thereupon cease and determine, but otherwise shall remain in full force and effect notwithstanding section 16 of the Bank Act.

6 EDWARD VII., CHAPTER 94.

An Act respecting the Farmers' Bank of Canada.

WHEREAS the provisional directors of the Farmers' Bank of Canada, have by their petition prayed that it be enacted as hereinafter set forth, and it is expedient to grant the prayer of the said petition: Therefore His Majesty, by and with the advice and consent of the Senate and House of Commons of Canada, enacts as follows:—

1. Notwithstanding anything in the Bank Act, or in chapter 77 of the Statutes of 1904, incorporating the Farmers' Bank of Canada, or in chapter 92 of the Statutes of 1905, extending the time for obtaining the certificate required by section 14 of the Bank Act, the Treasury Board may, within six months after the eighteenth day

of July, nineteen hundred and six, give to the said bank the certificate required by section 14 of the Bank Act.

2. In the event of the said bank not obtaining the said certificate from the Treasury Board within the time aforesaid, the rights, powers and privileges conferred on the said bank by the said Act of Incorporation and by this Act shall thereupon cease and determine, but otherwise shall remain in full force and effect notwithstanding section 16 of the Bank Act.

A

In the matter of the Bank Act and amendments and of the Farmers' Bank of Canada. This is Exhibit 'A' to the declaration of W. R. Travers declared before me this 27th day of November, 1906.

W. H. HUNTER,
A Comm. &c.

PROSPECTUS.

THE FARMERS' BANK OF CANADA. INCORPORATED BY SPECIAL ACT OF THE PARLIAMENT OF THE DOMINION OF CANADA, 1904. HEAD OFFICE: TORONTO. CAPITAL, $1,000,000, IN 10,000 SHARES OF $100 EACH.

THE FARMERS' BANK OF CANADA.

The following gentlemen have consented to act as directors if elected:—His Honour A. E. Forget, Lieutenant-Governor Saskatchewan; Major Thomas Beattie, President London City Gas Company, Director Agricultural Savings and Loan Company, London; Lieut.-Colonel R. R. McLennan, Contractor, Cornwall, Ont., Director Manufacturers' Life Insurance Company, Director Trust and Guarantee Company, Director Cornwall Paper Company; John D. Ivey, President, John D. Ivey & Company Limited, Toronto; Thos. Charlton, Lumberman, Collingwood, Ont., North Tonawanda, N.Y.; H. W. Anthes, President and Managing Director Toronto Foundry Company, Limited; W. S. Calvert, M. P., Manufacturer, Strathroy, President Cameron Dun Company, Limited, President Canadian Oil Company, Limited, Vice-President Northern Life Insurance Company; D. P. McKinnon, Finch, Ont., Ex-President Board of Agriculture and Arts, Director International Portland Cement Co., Ltd.; Colonel James Munro, M.P.P., Banker, Embro, Ont.; Hon. A. G. McKay, K.C., Owen Sound, Ex-Commissioner Crown Lands; George W. Neely, M.P.P., Farmer, Dorchester, Ont.; Thos. Urquhart, Ex-Mayor, Toronto; D. N. McLeod, General Merchant, Parkhill, Ont.; John Ferguson, M.D., M.A., Director Excelsior Life Insurance Company; Robert Noble, Miller, Norval.

General Manager.—W. R. Travers, formerly Manager of the Merchants' Bank of Canada, Hamilton.

Solicitors.—Urquhart, Urquhart & McGregor.

Bankers.—The Traders' Bank of Canada.

MORE BANKING FACILITIES REQUIRED.

The Farmers' Bank of Canada is being formed to meet the increased banking facilities required by the natural and steady expansion of business coincident with the rapid development of the country, particularly its agricultural industries, to whose

interests, whilst conducting a general banking business, it will aim to give special consideration.

No other safe business has been as profitable as banking.

No other profitable business has been as safe as banking.

EARNING POWER OF BANKS.

The profits of a bank are due to the fact that every business enterprise requires the assistance of a bank. The surplus money, large or small, of individuals is deposited in the bank and loaned by them at a higher rate of interest to business enterprises all over the country.

According to the latest bank report, chartered banks had—

Total Deposits	$578,750,561
Total Loans	$514,943,121

Under the banking laws of Canada a chartered bank has also this additional earning power—that for every dollar of paid-up capital it can issue its bills to that amount, thus doubling the earning power of its stockholders' money. For instance, the authorized capital of the Farmers' Bank of Canada is $1,000,000; if this were fully paid up the bank could issue $1,000,000 in bills, thus earning for its stockholders dividends on $2,000,000, giving the bank a double earning power on its capital.

The profits on bank stocks are distributed to the shareholders in two ways:

1st. Dividends paid direct to stockholders.

2nd. Profits over and above paying dividends placed to Rest account, which increase the value of their stock.

WHAT BANKS HAVE DONE—CANADIAN BANKS.

The following table shows what Canadian banks have done in the past for their stockholders:—

	Par Value.	Present Selling Price.	Dividend. Now Paid.
Dominion Bank	$100	$280	10 per cent.
Bank of Nova Scotia	100	278	11 "
Bank of Montreal	100	259	10 "
Bank of Toronto	100	249	10 "
Imperial Bank of Canada	100	244	10 "
Standard Bank	100	234	10 "
Bank of Hamilton	100	229	10 "
Bank of Ottawa	100	228	10 "
Canadian Bank of Commerce	100	182	7 "
Merchants' Bank of Canada	100	165	7 "
Traders' Bank of Canada	100	154	7 "
Sovereign Bank of Canada	100	154	6 "

The stockholders in these banks have thus received their dividends, and in addition their stock has more than doubled in value except in two or three cases.

This splendid showing has been made during a period when the trade of the country was stationary. At the present time, with our trade increasing very fast, the earning power of the banks will be greater than ever, as, for example, is shown by the following list of American banks under like conditions:—

AMERICAN BANKS.

	Par Value.	Present Selling Price.
Chemical National Bank, of New York	$100	$4,850 00
Fifth Ave. National Bank of New York	100	3,750 00
Farmers' Deposit Bank, Pittsburgh	100	1,600 00
Pittsburgh Bank for Savings	100	800 00
Second National Bank	100	820 00
First National Bank, Kansas	100	700 00
German American Bank, St. Louis	100	900 00

Bank stocks, therefore, offer to the investor—

1. A profitable investment.
2. A safe investment.
3. An investment increasing in value.
4. An investment easily realizable.

INVESTMENTS IN BANKS RARE.

The opportunity for investment in stock in a new bank in Canada is rare. It is impossible to get stock in a chartered bank at other than market prices. The stock of a chartered bank which has been going on for some time sells so readily, that it must be purchased at the large premiums at which such shares sell in the open market.

Banks have the power of easily increasing the amount of their capital stock, but whenever they do so the new stock must be first offered pro rata to existing shareholders. In every case in which such has been done the existing shareholders have taken up the whole of the issue, and the general public has been unable to obtain any of it. Should the Farmers' Bank of Canada increase its capital stock in the future, shareholders would also have this privilege, which is considered one of the advantages of being a shareholder.

CAPITAL STOCK.

The capital of the Farmers' Bank of Canada is $1,000,000, divided into 10,000 shares of $100 each.

The first block of $500,000 is offered at par, and will be payable as follows:—On subscription, $10 per share; a further $20 per share upon allotment; and seven equal payments of $10 each per share; the first of such payments to be made 30 days after allotment and the succeeding payments at intervals of 30 days each.

On payments made in advance of monthly instalments interest at the rate of four per cent. per annum will be allowed.

MANAGEMENT.

The gentlemen who have consented to act as directors have been successful in their own business affairs, and are men in whom the public have the highest confidence.

Their selection will have to be ratified at the first meeting of the shareholders. Additional directors will also be selected from amongst the shareholders at the said meeting by the shareholders themselves, so that the shareholders will have a direct opportunity of seeing that the affairs of the bank shall be entrusted to careful and competent management.

Arrangements have been made whereby the office of General Manager will be filled by a well-known, experienced and successful banker, who has held very responsible positions in one of the largest Canadian banks.

The Stock books are now open for subscription at the Provisional Office, 118 King street west, Toronto.

The Provisional Directors reserve the right to allot or reject any subscription in whole or in part.

Cheques, drafts, money orders, and other remittances on account of stock subscriptions should be made payable to 'The Farmers' Bank of Canada;' any payments made otherwise entirely at the subscriber's risk.

Applications for stock can be made in person or by Power of Attorney, form of which is inclosed.

Any further particulars will be furnished on application to C. H. Smith, The Secretary of the Provisional Board of Directors of the Farmers' Bank of Canada, 118 King street west, Toronto, Ont.

THE FARMERS' BANK OF CANADA.

Capital $1,000,000. Par Value each share $100.

To the Farmers' Bank of Canada:

We, the undersigned, do hereby severally apply for, and subscribe for, the respective number of shares of the capital stock of the Farmers' Bank of Canada set opposite our respective signatures hereto, and we hereby respectively offer and agree to pay for the said stock, $100 for each $100 share as follows: $10 per share upon the signing hereof, a further $20 per share upon allotment by the provisional board of directors or the directors of the said bank to the undersigned respectively, and the balance in seven equal monthly payments of $10 each per share, the first of such payments to be made thirty days after allotment, and the succeeding payments at intervals of thirty days, making in all $100 per share.

And we respectively agree to accept and pay for, as above mentioned, whatever number of shares of our said respective subscriptions may be allotted, notwithstanding that the whole number of shares applied for be not allotted.

We further respectively agree that, if default be made in the payment of any of the instalments or percentages above mentioned, the board of provisional directors, or the directors of the said bank, may at their option enforce payment by action in the usual way, or may proceed under the provisions of the Bank Act and the by-laws of the bank, for the forfeiture of the said shares.

NAME.	RESIDENCE.	CALLING.	NO. OF SHARES.	AMOUNT WITH PREMIUM.	SIGNATURE.	DATE.	WITNESS.

NOTE.—The foregoing is a facsimile of the Subscription Book which shall be signed by the subscriber in person or by his Attorney duly constituted.

In the matter of the Bank Act and amendments and of the Farmers' Bank of Canada. This is Exhibit "B" to the declaration of W. R. Travers, declared before me this 27th day of November, 1906.

W. H. HUNTER,
A Com., &c.

APPLICATION FOR STOCK.

To the Secretary of the Farmers' Bank of Canada.

SIR,—I hereby apply to the provisional directors or the directors of the Farmers' Bank of Canada for shares of the capital stock of the said bank of the par value of $100 each at the price of $100 per share.

And I hereby agree with the Farmers' Bank of Canada to accept the shares now applied for or any lesser number that may be allotted to me, and to pay for the same as follows: $10 per share upon the signing hereof, a further $20 per share upon allotment, and seven equal monthly payments of $10 each per share, the first of such payments to be made thirty days after allotment, and the succeeding payments at intervals of thirty days. I reserve to myself the right to pay these shares in full upon the allotment on the terms of the prospectus.

I hereby make and appoint the Secretary of the Provisional Board as my attorney to sign and subscribe my name to the subscribers, agreement in the stock books of the said bank, and to accept such shares as may be allotted to me and to register me therein as the holder of the said shares.

I further hereby make and appoint (as a term of my application for shares hereinbefore contained)
my proxy to vote for me and in my behalf at all meetings of the shareholders or subscribers of the stock of the said bank, and at any adjournment thereof, at which I may not be personally present, upon and in respect of all shares of the stock of the Farmers' Bank of Canada which shall be allotted or transferred to me.

Cheques, drafts, money orders, and other remittances on account of stock subscriptions should be made payable to the Farmers' Bank of Canada; any payments made otherwise entirely at subscriber's risk.

Signature.. .. ..

Date .. ..

Name in full.. .. ..

Occupation.. .. ..

Address.. .. ..

In the matter of the Bank Act and amendments of the Farmers' Bank of Canada.

This is Exhibit "C" to the declaration of W. R. Travers, declared before me this 27th day of November, 1906.

W. H. HUNTER

A Com., &c.

SESSIONAL PAPER No. 110c

'D' IN RE BANK ACT AND FARMERS' BANK OF CANADA.

This is Exhibit 'D' to the declaration of W. R. Travers, declared before me this 27th November, 1906.

W. H. HUNTER.

THE FARMERS' BANK OF CANADA.

LIST OF SHAREHOLDERS.

Name.	Residence.	No. Shares Subscribed for.	Amount Subscribed.	Amount Paid.
			$	$
Brimblecomb, Wm.	Drayton, Ont	5	500	25
Tucker, Geo.	Bosworth, Ont	2	200	10
Dowling, John J.	Drayton, Ont	1	100	5
Gibb, Hugh C.	Drayton, Ont	2	200	140
Page, Garnet L.	Drayton, Ont	10	1,000	700
Wilson, Wm. and H.	Rothsay, Ont	2	200	200
Noble, Robert	Bosworth, Ont	2	200	60
Whyte, John	Drayton, Ont	1	100	40
Gordon, Lottie Mrs.	Drayton, Ont	2	200	10
Ritch, Wm.	Drayton, Ont	2	200	70
Dales, John N.	Kingston, Ont	1	100	5
Cunningham, H.	Drayton, Ont	5	500	100
Wadel, Joseph	Whitechurch, Ont	10	1,000	1,000
Fowler, Geo. S.	Teeswater, Ont	5	500	275
Casey, Con.	Drayton, Ont	5	500	450
Mayne, Ellen Mrs.	Stirton, Ont	2	200	175
Downey, James.	Goldstone, Ont	2	200	10
Ellis, George	Drayton, Ont	5	500	500
Johnston, James	Winfield, Ont.	2	200	40
Johnston, Robert	Winfield, Ont	5	500	100
Laing, Helen	Drayton, Ont	10	1,000	1,000
Davidson, E.	Drayton, Ont	10	1,000	1,000
Wooddisse Bros.	Rothsay, Ont	10	1,000	1,000
White, Charles	Drayton, Ont	5	500	25
Corbitt, R. H.	Rothsay, Ont	10	1,000	1,000
Groves, A.	Fergus, Ont	100	10,000	3,000
Elsley, Levi	Nassagaweya, Ont	7	700	700
Visger, J. S.	Montreal, Que	1	100	5
Ryan, J. G.	Elizabeth, N. J.	1	100	5
Fortier, Joseph	Montreal, Que	2	200	10
Forget, A. E.	Regina, Sask	50	5,000	
Munro, James.	Embro, Ont	50	5,000	3,250
Lavertin, L. V.	Montreal, Que	3	300	15
Davidson, W. F.	Drayton, Ont	2	200	20
McKay, Alex.	Holiday, Ont.	5	500	350
McKay, Hugh	Holiday, Ont.	5	500	350
Sutherland, G. A.	Embro, Ont	5	500	500
Geddes, W. J.	Embro, Ont	10	1,000	1,000
Sutherland, Geo.	Chicago, Ill.	10	1,000	1,000
Keseltine, W. H.	Rothsay, Ont.	10	1,000	100
Stevens, F. B.	Detroit, Mich.	20	2,000	1,000
Newman, R. A.	Detroit, Mich.	50	5,000	5,000
Elsley, Levi.	Nassagaweya, Ont.	3	300	300
Lathrop, F. E.	Armada, Mich.	10	1,000	1,000
Walker, Joseph	Niagara-on-the-lake, Ont	2	200	20
Murray, C.	Embro, Ont	10	1,000	1,000
Sutherland, R.	Golspie, Ont	5	500	500
Brand, C. A.	Embro, Ont.	5	500	500
Sutherland, M.	Golspie, Ont.	5	500	500
Walsh, Mrs. J.	Hollin, Ont.	6	600	600
Paterson, W. A.	Flint, Mich.	10	1,000	500
Ferguson, A.	Edinburgh, Scot.	10	1,000	500
Lindsay, James.	Fergus, Ont.	10	1,000	1,000
Sutherland, Geo. A.	Embro, Ont.	5	500	500
Simpson, G. A.	Leamington, Ont.	10	1,000	1,000

THE FARMERS' BANK OF CANADA.

LIST OF SHAREHOLDERS.

Name.	Residence.	No. Shares Subscribed for.	Amount Subscribed.	Amount Paid.
			$	$
Morse, G. A	Leamington, Ont	5	500	500
Nelson, J. H	Kingsville, Ont	20	2,000	2,000
Samson, James	Windsor, Ont	5	500	50
Watt, J. A	Salem, Ont	1	100	40
Charlton, Thomas	Collingwood, Ont	30	3,000	
McLennan, R. R	Cornwall, Ont	50	5,000	3,000
Webb, Thomas	Brighton, Ont	10	1,000	1,000
Gilchrist, A	Napanee, Ont	3	300	240
Armstrong, R. W	Bracebridge, Ont	1	100	50
Harris, M. A	Toronto, Ont	2	200	200
Witham, A. J	St. Catharines, Ont	25	2,500	
Wise, Henry	St. Catharines, Ont	5	500	500
McMillan, Isabella	Hamilton, Ont	5	500	500
Brown, J. G	Humber Bay, Ont	2	200	200
Barnhill, John	Norval, Ont	2	200	200
Noble, Robert	Norval, Ont	30	3,000	3,000
Hunter, Francis	Norval, Ont	10	1,000	1,000
Cook, James E	Hamilton, Ont	4	400	400
Day, G. H	Norval, Ont	3	300	300
Turner, W. D	Norval, Ont	2	200	200
Watson, Robert, sr	Norval, Ont	5	500	50
Anthony, F. W	Norval, Ont	1	100	10
Early, M. J	Norval, Ont	6	600	600
Sykes, A	Glenwilliams, Ont	10	1,000	1,000
Tumulty, T. H	Madoc, Ont	1	100	100
Hyatt, W	Norval, Ont	10	1,000	1,000
Hunter, John	Norval, Ont	1	100	100
Chisholm, William	Antigonish, N. S	3	300	300
Cook, John C	Norval, Ont	5	500	50
Switzer, Jos. C	Norval, Ont	5	500	50
Leslie, Matilda	Georgetown, Ont	5	500	500
Leslie, R. F	Georgetown, Ont	10	1,000	1,000
Summers, Jane	Corinth, Ont	1	100	100
Fisher, A. E	Whitehorse, Yukon	5	500	500
Eccles, John	Glenwilliams, Ont	10	1,000	
Showler, T. W	Arkona, Ont	10	1,000	30
Hotson, Alexander	Parkhill, Ont	15	1,500	900
Dickison, Thos	Arkona, Ont	4	400	400
Dickison, Jennie	Arkona, Ont	5	500	500
Hunter, John W	Toronto, Ont	5	500	500
Ellis, J. S	Toronto, Ont	1	100	50
Green, C. J	Kingsville, Ont	2	200	200
Smith, A. E	Parkhill, Ont	4	400	400
Bowley, James	Strathroy, Ont	10	1,000	500
Sunstrum, John	Ottawa, Ont	25	2,500	
Merner, Samuel	Berlin, Ont	50	5,000	
McKinnon, D. P	Finch, Ont	10	1,000	100
McMillan, D. A	Finch, Ont	5	500	450
Simpson, J. P	Finch, Ont	3	300	270
Adams, Benjamin	Finch, Ont	5	500	500
Deese, D. E	Finch, Ont	5	500	500
Sutherland, D	Golspie, Ont	3	300	300
Showler, T. W	Arkona, Ont	20	2,000	70
Moore, Louisa Miss	Arkona, Ont	1	100	100
Smith, Sarah Mrs	Arkona, Ont	1	100	100
Smith, George	Arkona, Ont	10	1,000	495
Copeland, E. M	Arkona, Ont	5	500	500
Greenlees Bros	Milton, Ont	10	1,000	1,000
Kerr, John	Milton, Ont	50	5,000	3,000
Waters, Wm	Springbank, Ont	10	1,000	1,000
Waters, Sarah	Springbank, Ont	10	1,000	1,000
McLaughlin, J. C	Norval, Ont	2	200	100
Sutherland, James	Holiday, Ont	10	1,000	1,000

SESSIONAL PAPER No. 110c

THE FARMERS' BANK OF CANADA.

LIST OF SHAREHOLDERS.

Name.	Residence.	No. Shares Subscribed for.	Amount Subscribed.	Amount Paid.
			$	$
Darrah, Robert	Milton, Ont	10	1,000	1,000
Scott, W. N.	Milton, Ont	50	5,000	1,500
Daniels, Geo	Milton, Ont	5	500	200
Cheyne, Luther	Brampton, Ont	5	500	100
McCann, Ed., jr.	Omagh, Ont	10	1,000	100
Bell, Geo. A	Lowville, Ont	3	300	30
Powell, H. H.	Lowville, Ont	15	1,500	825
McCall, Hugh A	Milton, Ont	10	1,000	
Dewar, Duncan	Milton, Ont	5	500	200
Stewart, Jno	Milton, Ont	5	500	250
Travers, W. R.	Toronto, Ont	50	5,000	500
Hunter, John	Milton, Ont	15	1,500	1,500
Ford, John A	Omagh, Ont	5	500	50
Sutherland, Robert	Golspie, Ont	5	500	500
Sutherland, Hugh	Holiday, Ont	5	500	500
Elliot, William	Milton, Ont	5	500	500
Irving, John	Milton, Ont	5	500	50
Panton, William	Milton, Ont	10	1,000	100
McLeod, John	Milton, Ont	1	100	50
Scott, J. B	Milton, Ont	5	500	100
Mathews, Alex	Guelph, Ont	5	500	500
Brandon, J. S.	Milton, Ont	5	500	
Lindsay, Wm. J.	Toronto, Ont	50	5,000	500
Storey, Geo	Milton, Ont	50	5,000	5,000
Muir, Gertrude	Almonte, Ont	5	500	500
MacDowall, Wm. S.	Almonte, Ont	5	500	500
McCuaig, Malcolm	Peveril, Que	10	1,000	1,000
Cattanach, J. F.	North Lancaster, Ont	2	200	200
McCuaig, Donald	Dalhousie Stat., Que	5	500	500
McDonald, P. D.	Bridge End Stat	2	200	200
Beaty, Wm. T.	Omagh, Ont	50	5,000	5,000
Elliot, Dollie	Milton, Ont	1	100	100
Foster, James	Moray, Ont	10	1,000	1,000
McLachlin, Donald	Parkhill, Ont	1	100	100
Augustine, W. A.	Arkona, Ont	1	100	100
Foster, Joseph, sr.	Greenway, Ont	1	100	100
Kemp, D. C.	Hornby, Ont	50	5,000	5,000
Bate, Joseph E.	Scotch Block, Ont	50	5,000	5,000
Geer, Jennie B.	Milton, Ont	50	5,000	
Hunter, William	Ashgrove, Ont	25	2,500	2,500
Hunter, Thomas	Norval, Ont	25	2,500	2,500
Elliott, J. W.	Milton, Ont	5	500	100
Roper, J. P.	Milton, Ont	1	100	100
Sproat, John	Mansewood, Ont	100	10,000	1,000
Edmonstone, Jas	Balaclava, Ont	4	400	240
Gillies, Mary	Watford, Ont	1	100	100
Thompson, Lizzie	Watford, Ont	1	100	100
Saunders, Annie N.	Tillsonburg, Ont	5	500	500
Saunders, Wm. H.	Tillsonburg, Ont	5	500	250
Dewar, John	Milton, Ont	5	500	
Sayers, Peter	Guelph, Ont	10	1,000	
McDuffe, P. A.	Omagh, Ont	10	1,000	1,000
Gastle, George	Milton, Ont	10	1,000	1,000
Shortreed, Jno. H.	Mansewood, Ont	5	500	500
McCallum, Finlay	Milton, Ont	10	1,000	1,000
Scott, Mary Moore	Milton, Ont	10	1,000	30
Scott, Flora	Milton, Ont	10	1,000	100
Ford, James	Boyne, Ont	50	5,000	200
Pell, John	Omagh, Ont	10	1,000	1,000
Aitkens, Thomas	Milton, Ont	25	2,500	2,500
Dixon, W. A.	Milton, Ont	50	5,000	500
Whitney, W. P.	Milton, Ont	1	100	100
Pearce, Edith E.	Springford, Ont	5	500	500

THE FARMERS' BANK OF CANADA.

LIST OF SHAREHOLDERS.

Name.	Residence.	No. Shares Subscribed for.	Amount Subscribed.	Amount Paid.
			$	$
Bunt, Wm. T.	Springford, Ont	2	200	60
Somerville, Wm.	St. Marys, Ont.	10	1,000	100
Moffatt, James	Kelso, Ont.	10	1,000	1,000
Thompson, Geo. H	Hornby, Ont.	50	5,000	5,000
Emerson, Andrew	Zimmerman, Ont.	50	5,000	600
Joyce, Clark	Mansewood, Ont.	5	500	50
Dewar, W. F.	Milton, Ont	10	1,000	300
Joyce, Robert.	Mansewood, Ont.	10	1,000	600
Bridgman, Burwell	Zimmerman, Ont.	1	100	10
O'Hagan, James.	Toronto, Ont.	1	100	80
Murray, James	Mansewood, Ont	10	1,000	300
Galloway, Chas. E	Milton, Ont	5	500	50
Robertson, Hugh	Martintown, Ont.	5	500	500
Robertson, Duncan J	Martintown, Ont.	10	1,000	1,000
Moffat, James F.	Martintown, Ont.	3	300	300
Ewing, Jas.	Eden Mills, Ont	5	500	500
Hollinrake, C. E.	Milton, Ont.	5	500	300
Alderson, Thos	Drumquin, Ont.	5	500	50
Howden, Thomas.	Milton, Ont.	5	500	50
Coulson, John	Kilbride, Ont.	25	2,500	450
Bowes, G. S.	Milton, Ont.	2	200	200
Coulson, Wm. J	Kilbride, Ont	5	500	50
Bradshaw, J. L.	Stratford, Ont.	5	500	250
Wilson, Isabella	Edinburgh, Scot.	2	200	80
Robertson, Wm.	Hamilton, Ont.	5	500	500
Cruikshank, Anne	Hamilton, Ont.	10	1,000	1,000
Hume, John	Scotch Block, Ont.	5	500	50
Andrews, Jos. W.	Milton, Ont.	2	200	20
Shuert, Jane	Milton, Ont.	3	300	30
Stewart, Jno	Milton, Ont	10	1,000	100
Bell, Geo. A	Lowville, Ont.	7	700	70
Ford, John F.	Omagh, Ont.	50	5,000	1,000
Cox, Thomas	Milton, Ont.	50	5,000	5,000
McDuffe, P. A	Omagh, Ont.	15	1,500	1,500
Kennedy, Wm. N.	Hornby, Ont.	5	500	250
Powell, Hy. H	Lowville, Ont.	15	1,500	825
Pearce, Edith E.	Springford, Ont.	5	500	500
Ross, Andrew J	Nairn, Ont.	1	100	60
McGregor, Chas. D.	Milton, Ont.	5	500	150
Wilson, Hugh E.	Keyser, Ont.	5	500	500
Kelly, P. J.	Stratford, Ont.	10	1,000	100
Fraser, Edna S	Surgoinsville, Tenn.	2	200	200
Handy, Lottie O. M	Surgoinsville, Tenn.	1	100	100
Handy, F. T.	Surgoinsville, Tenn.	1	100	100
Roper, Jno. P.	Milton, Ont	4	400	400
Darling, Robt. A	Mansewood, Ont.	5	500	50
Clements, Mathew.	Milton, Ont	5	500	50
Denoon, Geo.	Milton, Ont.	20	2,000	2,000
Bridgman, Burwell	Zimmerman, Ont.	4	400	75
Mowbray, Jno. W.	Camden East, Ont.	6	600	600
Haydon, Jas. S.	Camden East, Ont.	10	1,000	1,000
Ford, Edward.	Omagh, Ont.	15	1,500	150
Fox, Robert W.	Omagh, Ont.	15	1,500	150
Ratz, John.	Khiva, Ont.	10	1,000	400
Johnson, Harry F.	Boyne, Ont.	2	200	20
Fox, Robert W.	Omagh, Ont.	10	1,000	100
Hamilton, Alice.	Milton, Ont.	10	1,000	1,000
Hume, Robert.	Milton, Ont.	10	1,000	100
McLean, William	Milton, Ont	5	500	50
McLean, Margaret D.	Milton, Ont.	5	500	50
Shortreed, Walter	Milton, Ont	10	1,000	1,000

SESSIONAL PAPER No. 110c

THE FARMERS' BANK OF CANADA.

LIST OF SHAREHOLDERS.

Name.	Residence.	No. Shares Subscribed for.	Amount Subscribed.	Amount Paid.
			$	$
Rose, And. J.	Nairn, Ont.	2	200	120
Arnald, Agnes	Kingsville, Ont.	3	300	300
Chapman, H. H.	Brantford, Ont.	1	100	55
Amey, Elgin B	Camden East, Ont.	2	200	200
Stover, Lewis H.	Camden East, Ont.	10	1,000	1,000
Dickson, Alex.	Camden East, Ont.	4	400	400
Stedman, N.	Camden East, Ont.	5	500	500
Parrott, Herman H	Camden East, Ont.	4	400	400
Lynch, M. J.	Kingston, Ont.	5	500	500
Haydon, James A.	Camden East, Ont.	4	400	400
Osborn, Annie.	Glenwilliams, Ont.	1	100	100
Sloan, W. J.	Glenwilliams, Ont.	5	500	500
Johnson, Caroline.	Boyne, Ont.	1	100	100
Peddie, Jas. C.	Milton, Ont.	5	500	250
Porter, Alex.	Omagh, Ont.	5	500	50
Foster, H. A.	Lowville, Ont.	15	1,500	150
Gunby, Burdge	Kilbride, Ont.	50	5,000	2,000
Scott, Mary M.	Milton, Ont.	20	2,000	70
Walker, Wm. D.	Milton, Ont.	1	100	10
Downs, Edward W.	Drumquin, Ont.	25	2,500	650
Porter, Alex.	Omagh, Ont.	5	500	50
Cartwright, A.	Zimmerman, Ont.	10	1,000	1,000
Sinclair, W. G.	Zimmerman, Ont.	50	5,000	2,775
Edmonstone, Jas.	Balaclava, Ont.	2	200	120
Ford, Edward	Omagh, Ont.	10	1,000	100
Ford, David F.	Omagh, Ont.	10	1,000	1,000
Anderson, R. K.	Milton, Ont.	10	1,000	300
Grigg, Emma J.	New York, N. Y.	1	100	100
Brough, James.	Springford, Ont.	5	500	500
Brough, Ida L.	Springford, Ont.	2	200	200
Randall, Claretta	Springford, Ont.	2	200	200
Fuller, Eliat.	Thornhill, Ont.	5	500	150
Smith, Mathew W.	Thornhill, Ont.	10	1,000	500
Sackrider, Chas.	Burgessville, Ont.	1	100	50
Allin, Jessee	Holbrook, Ont.	10	1,000	700
Topham, John	Burgessville, Ont.	2	200	20
Sutherland, Sarah	Leamington, Ont.	2	200	200
Ross, A. J.	Nairn, Ont.	1	100	60
Marshall, Jas.	Glasgow, Scotland	5	500	500
Ferguson, George	Glasgow, Scotland	15	1,500	1,500
Murray, John.	Embro, Ont.	5	500	500
Murray, George.	Embro, Ont.	10	1,000	1,000
Lindsay, J. R.	Georgetown, Ont.	5	500	500
McCullough, R. C.	Georgetown, Ont.	5	500	500
Bowman, Wm.	Georgetown, Ont.	5	500	50
Logie, James.	Nassagaweya, Ont.	5	500	500
Peddie, John	Milton, Ont.	5	500	500
Peddie, James.	Milton, Ont.	5	500	500
Wilson, Wm. G.	Ashgrove, Ont.	5	500	500
McCann, Rebecca.	Omagh, Ont.	5	500	500
Griffin, Joshua H.	Burgessville, Ont.	2	200	200
Siple, R. A.	Burgessville, Ont.	2	200	20
Hoard, William.	Glenwilliams, Ont.	5	500	50
Bennett, David H.	Zimmerman, Ont.	10	1,000	325
Scott, Alex. P.	Brampton, Ont.	2	200	20
Chapman, Jno. A.	Sandwich, Ont.	25	2,500	250
Brown, R. L.	Georgetown, Ont.	50	5,000	500
Edmonstone, Jas.	Balaclava, Ont.	4	400	240
Elliott, Robt. A.	Milton, Ont.	5	500	500
Laird, Geo.	Ashgrove, Ont.	10	1,000	500
Kennedy, G. A.	Milton, Ont.	10	1,000	100

THE FARMERS' BANK OF CANADA.

LIST OF SHAREHOLDERS.

Name.	Residence.	No. Shares Subscribed for.	Amount Subscribed.	Amount Paid.
			$	$
McCallum, M.	Ashgrove, Ont.	2	200	100
Sinclair, D.	Freeman, Ont.	5	500	200
Cummins, A. C.	Burlington, Ont.	5	500	250
Bingham, Jno.	Georgetown, Ont.	1	100	50
Leslie, J. T.	Norval, Ont.	2	200	20
Southcott, J.	Grand Bond, Ont.	1	100	100
Burland, G. B.	Montreal, P.Q.	150	15,000	2,000
Cartwright, Jno. A	Zimmerman, Ont.	10	1,000	1,000
Chisholm, L. W.	Limehouse, Ont.	1	100	40
Davis, C. G.	Freeman, Ont.	10	1,000	1,000
Stork, Ira A.	Mono Mills, Ont.	1	100	100
Richardson, T. W.	Glenwilliams, Ont.	10	1,000	100
Standish, J. L.	Esquesing, Ont.	1	100	10
Near, Frederick S.	Ballinafad, Ont.	3	300	30
Campbell, Donald.	Ballinafad, Ont.	3	300	30
Hoare, Sarah	Glenwilliams, Ont.	4	400	400
Brown, John K.	Georgetown, Ont.	20	2,000	200
McDonald, John	Acton, Ont.	2	200	110
McDonald, Alex.	Acton, Ont.	3	300	30
Campbell, John	Glenwilliams, Ont.	3	300	30
Stalker John	Acton, Ont.	2	200	200
Devean, Nathan M	Toronto, Ont.	10	1,000	1,000
Devean, N. M.	Toronto, Ont.	190	19,000	19,000
Bowand, Bessie K	Walkerton, Ont.	10	1,000	1,000
Thompson, David	Walkerton, Ont	20	2,000	1,880
Ford, Mary E.	Omagh, Ont.	2	200	200
Ford, Ida A.	Omagh, Ont.	5	500	500
Robinson, Margaret	Omagh, Ont.	5	500	500
Gowan, Chas. W.	Ballymote, Ont.	1	100	100
Norris, Henry	Alliston, Ont.	5	500	500
Elliott, Thomas	Lowville, Ont.	10	1,000	1,000
Alwin, Chas. S.	Freeman, Ont.	10	1,000	500
Robinson, George	Omagh, Ont.	10	1,000	1,000
Downs, Albert J.	Drumquin, Ont.	25	2,500	250
Sinclair, Wm. G.	Zimmerman, Ont.	50	5,000	2,775
Ford, D. Frank Ford	Omagh, Ont.	15	1,500	1,500
Tullis, Harry P.	Glasgow, Scot	5	500	350
Starret, Margaret J.	Glenwilliams, Ont.	1	100	10
Simpson, Robert.	Kilbride, Ont.	10	1,000	1,000
Simpson, Mary Ann	Kilbride, Ont.	5	500	500
Phillip, Annie	Kilbride, Ont.	2	200	200
Bell, Robert.	Zimmerman, Ont.	10	1,000	1,000
Eaton, Allan	Mt. Nemo, Ont.	100	10,000	7,500
Freeman, J. G.	Box Grove, Ont.	3	300	200
Newman, R. A	Detroit, Mich.	50	5,000	5,000
Freeman, Helen.	Box Grove, Ont.	10	1,000	100
Thompson, Agnes.	Terra Cotta, Ont.	14	1,400	1,100
McMillan, Harriet L.	Westmount, Que.	5	500	500
Rae, James.	Malcolm, Ont.	10	1,000	1,000
Rae, Alexander.	Malcolm, Ont.	10	1,000	1,000
Rae, Betsy	Malcolm, Ont.	10	1,000	1,000
Findlay, Robert	Malcolm, Ont.	3	300	300
Macdonald, John	Markham, Ont.	5	500	500
Meyer, Pauline V.	Toronto, Ont.	10	1,000	500
Pfister, John	Toronto, Ont.	10	1,000	500
Sinclair, Grant W.	Zimmerman, Ont.	10	1,000	500
Krupp, Samuel	Caro, Mich.	4	400	40
Shreve, Mary L.	Caro, Mich.	2	200	120
McClure, Samuel	Glenwilliams, Ont.	5	500	225
Coos, Thomas	Ballinafad, Ont.	1	100	10

SESSIONAL PAPER No. 110c

THE FARMERS' BANK OF CANADA.

LIST OF SHAREHOLDERS.

Name.	Residence.	No. Shares Subscribed for.	Amount Subscribed.	Amount Paid.
			$	$
	Brought forward			
Tolton, James	Walkerton, Ont	5	500	250
Little, John D	Walkerton, Ont	10	1,000	500
Robb, Elsie	St. George, Ont	5	500	50
Robb, William	St. George, Ont	20	2,000	400
McKechnie, John	Ballinafad, Ont	1	100	100
Morrison, Alfred	Ashgrove, Ont	1	100	10
Morrison, Hugh	Ashgrove, Ont	5	500	50
Near, Martin L	Erin, Ont	10	1,000	100
Hanna, William	Erin, Ont	2	200	200
Murray, George	St. Andrews, Scotland	5	500	500
Thompson, Elizabeth	Ballinafad, Ont	15	1,500	1,100
Wait, Christina	St. George, Ont	10	1,000	1,000
Sager, Sarah	St. George, Ont	10	1,000	1,000
Appleyard, Thos. E	Georgetown, Ont	1	100	100
Appleyard, Albert	Georgetown, Ont	1	100	100
Curry, Eliza R	Esquesing, Ont	1	100	100
Denny, Jos. H	Ballinafad, Ont	5	500	50
Kennedy, Paul S	Acton, Ont	2	200	20
Arkell, Peter	Teeswater, Ont	1	100	60
Wharton, Miss E	Teeswater, Ont	3	300	
Thomson, Malcolm	Walkerton, Ont	5	500	500
Allin, Jessee	Holbrook, Ont	5	500	50
Allin, Hiram	Ostrander, Ont	5	500	200
Allin, Nellie	Ostrander, Ont	5	500	200
Clement, Ethel P	Burgessville, Ont	1	100	50
Topham, John	Burgessville, Ont	1	100	50
Corless, John G	Burgessville, Ont	1	100	10
Burgess, Charles E	Burgessville, Ont	1	100	10
Burwell, Matilda	London, Ont	6	600	600
Burwell, Edward	London, Ont	10	1,000	1,000
Baskett, Sarah	Ballymote, Ont	1	100	100
Green, Arthur E	St. George, Ont	4	400	280
Kennedy, Thos. W	Acton West, Ont	1	100	10
Denny, Margaret	Ballinafad, Ont	5	500	50
Watson, John	Acton West, Ont	5	500	50
Lindsay, Ninan F	Acton West, Ont	5	500	50
Harris, William	Milton, Ont	5	500	500
Ainslie, Mathew F	Drumbo, Ont	2	200	200
Ainslie, Mary J	Drumbo, Ont	2	200	200
Golding, Henry	Ingersoll, Ont	10	1 000	1,000
Kinney, Lewis P	Drumbo, Ont	4	400	40
Weir, Andrew	Masonville, Ont	2	200	20
Appleyard, Albert, sr	Georgetown, Ont	5	500	500
Lindsay, Jessie E	Georgetown, Ont	1	100	100
Gillson, Thos	Masonville, Ont	5	500	500
Monkman, John A	Toronto, Ont	6	600	600
Collins, Sophronia	St. George, Ont	1	100	100
Coulson, John	Hornby, Ont	1	100	100
Stafford, William	Wallacetown, Ont	2	200	80
Bobier, Alfred F	Port Talbot, Ont	2	200	200
Telford, John	Wallacetown, Ont	2	200	200
Barber, Jessie	Fingal, Ont	2	200	
Turner, James	Fingal, Ont	1	100	10
Fulton, Velma	Fingal, Ont	1	100	
Garbutt, Robt. G	Wallacetown, Ont	1	100	
Page, William	Fingal, Ont	1	100	
Tubby, E. H	Fingal, Ont	1	100	100
Edmonds, Geo	Fingal, Ont	1	100	
Koehler, Ed	Tyrconnell, Ont	1	100	40
Crane, James W	Wallacetown, Ont	1	100	
Brush, Herschel D	Fingal, Ont	1	100	50
Casey, Thomas	Fingal, Ont	1	100	
	Carried forward	4,320	432,000	244,870

THE FARMERS' BANK OF CANADA.

LIST OF SHAREHOLDERS.

Name.	Residence.	No. Shares Subscribed for.	Amount Subscribed.	Amount Paid.
			$	$
	Brought forward			
Cameron, John A	Wallacetown, Ont	1	100	10
Stevenson, W. E	Fingal, Ont	1	100	
Docker, Anna F	Wallacetown, Ont	3	300	300
Barnum, Wm. E	Dutton, Ont	1	100	40
Bobier, James	Wallacetown, Ont	1	100	100
Clay, Cleve B	Wallacetown, Ont	1	100	10
Watkins, James	Port Talbot, Ont	1	100	100
Fitch, William	Port Talbot, Ont	1	100	100
Burwell, Samuel E	Fingal, Ont	2	200	200
Barnes, Martha	Ash, Ont	1	100	100
Husband, Geo. E	Ash, Ont	10	1,000	100
Horn, Thomas	Ash, Ont	1	100	10
Husband, Robt. W	Ash, Ont	10	1,000	100
Witham, S. F	Brantford, Ont	20	2,000	200
Shaver, Wm. J	Toronto, Ont	20	2,000	2,000
Shaver, A. Rolph	Toronto, Ont	10	1,000	1,000
Hoover, A. H	Toronto, Ont	50	5,000	
Graham, W. A	Wallacetown, Ont	1	100	30
Bobier, R	Pt. Talbot, Ont	1	100	100
Dromoyle, H	Wallacetown, Ont	1	100	
Bobier, Joseph	Dutton, Ont	5	500	500
Heeks, Henry	Palermo, Ont	10	1,000	100
Foster, Thomas	Brantford, Ont	3	300	60
Hazell, Horace	Hamilton, Ont	5	500	50
Irving W. A	Tansley, Ont	5	500	50
Townsend, Josiah	Terra Cotta, Ont	1	100	100
Nixon, John F	Ashgrove, Ont	2	200	200
McKerlie, Marshall	Pt. Nelson, Ont	40	4,000	4,000
Hartman, Chas. H	Hamilton, Ont	2	200	20
Gow, Peter	Wallacetown, Ont	1	100	30
Bobier, David	Pt. Talbot, Ont	2	200	200
Garner, Thomas	Palermo, Ont	5	500	50
Burtch, David	Palermo, Ont	4	400	400
Burtch, Mary J	Palermo, Ont	2	200	200
Dearling, John	Palermo, Ont	1	100	10
Kirkpatrick, Wm	Burgessville, Ont	1	100	10
Thompson, Annie S	Ashgrove, Ont	2	200	200
Morrison, Loretta	Ashgrove, Ont	2	200	200
Lindsay, W. J	Toronto, Ont	500	50,000	5,000
McKee, Geo	Wallacetown, Ont	1	100	100
Blue, Dugald	Wallacetown, Ont	1	100	
McGeachy, John A	Iona, Ont	4	400	400
Patterson, Lewis	Palermo, Ont	3	300	300
Alexander, John	Palermo, Ont	8	800	800
Wood, Will S	Palermo, Ont	1	100	100
Wilkinson, Geo. H	Palermo, Ont	1	100	50
Bennett, W. J	Dundas, Ont	5	500	150
McCallum, Dugald	Adrian, Ont	2	200	200
Church, Ephraim	Iona, Ont	1	100	
Preston, Bert C	Armada, Ont	5	500	500
Wettlaufer, J. B. R	Palermo, Ont	2	200	20
Brush, Herschel D	Fingal, Ont	1	100	60
Bobier, Sarah J	Pt. Talbot, Ont	1	100	100
Edmonds, Geo. or Cora or survivor	Fingal, Ont	1	100	
Turner, Frank E	Bracondale, Ont	10	1,000	
McCallum, Dugald	Adrian, Mich	1	100	100
Taylor, George E	Paris Station, Ont	5	500	50
Bobier, Harry	Pt. Talbot, Ont	1	100	100
McIntyre, Duncan	Fingal, Ont	1	100	100
Anderson, Martha	Fingal, Ont	2	200	20
Bobier, A. F	Pt. Talbot, Ont	3	300	300
Edmonds, Geo. or Cora	Fingal, Ont	3	300	
	Carried forward	5,113	511,300	264,200

SESSIONAL PAPER No. 110c

THE FARMERS' BANK OF CANADA.

LIST OF SHAREHOLDERS.

Name.	Residence.	No. Shares Subscribed for.	Amount Subscribed.	Amount Paid.
			$	$
Brought forward				
Casey, Thomas	Fingal, Ont	1	100	
McIntyre, Donald	Boxall, Ont	2	200	
Mitchell, Thomas	Ash, Ont	1	100	10
Newman, Walter T	Vancouver, B.C	5	500	50
Burwell, Edward	London, Ont	90	9,000	9,000
McIntyre, Colvin A	Fingal, Ont	2	200	20
Bobier, Sarah J	Pt. Talbot, Ont	1	100	100
Strong, George	Wallacetown, Ont	1	100	10
Bobier, Hattie	Pt. Talbot, Ont	5	500	500
Davison, Mathew	Flint, Mich	50	5,000	
Smith, Flint P	Flint, Mich	50	5,000	
Cook, Edward	Leamington, Ont	3	300	30
Cook, Richard	Leamington, Ont	2	200	20
Walker, Peter M	Milton, Ont	1	100	
Stewart, Neil	Milton, Ont	25	2,500	
Murray, James	Mansewood, Ont	25	2,500	
Hirst, Edward	Campbellville, Ont	10	1,000	1,000
Cunningham, Lizzie	Hornby, Ont	3	300	300
Coulson, Maggie	Hornby, Ont	1	100	100
Elseley, Charles A	Campbellville, Ont	5	500	250
Menzie, R. L	Kelso, Ont	1	100	100
Menzie, Wm	Kelso, Ont	1	100	50
Weir, Eliza A	Kelso, Ont	5	500	500
Cairns, Samuel	Campbellville, Ont	2	200	200
Miller, John	Leamington, Ont	5	500	500
Sprowl, Mrs. Wm	Acton, Ont	3	300	300
Sprowl, Wm	Acton, Ont	3	300	300
Hanley, John	Milton, Ont	1	100	100
Honeywill, E. H	Mallinafad, Ont	25	2,500	2,500
McClure, Samuel	Glenwilliams, Ont	5	500	225
Stair, Fred. W	Toronto, Ont	100	10,000	1,000
Bastedo, Ida A	Milton, Ont	5	500	50
Haist, Aaron Y	Stratford, Ont	4	400	400
Ford, James	Omagh, Ont	2	200	20
Snelgrove, E. W	Brighton, Ont	10	1,000	1,000
Symons, W. L	Toronto, Ont	10	1,000	100
Patterson, Earnest	Palermo, Ont	1	100	25
Beaty, Ella M	Milton, Ont	2	200	20
Bobier, Jos. or Jane	Dutton, Ont	5	500	500
Dewar, John	Fingal, Ont	1	100	
McCurdy, Robert	Hornby, Ont	1	100	100
Brill, S. R	Teeswater, Ont	2	200	200
Davidson, J. A	Milton, Ont	1	100	
Campbell, A	Mountsberg, Ont	2	200	50
Beattie, M	Campbellville, Ont	5	500	
Nesbitt, William B	Toronto, Ont	100	10,000	3,000
Lown, A. S	Toronto, Ont	1	100	10
Hunter, W. H	Toronto, Ont	1	100	10
Macorquodale, D. S	Toronto, Ont	1	100	
Wood, W. R	Toronto, Ont	1	100	10
Macorquodale, B. E	Toronto, Ont	1	100	
Macorquodale, F. D	Toronto, Ont	1	100	
Parmenter, L. S	Flushing, N.Y	1	100	30
Fitzgibbon, J. G	Toronto, Ont	1	100	
Latch, Emma	Toronto, Ont	8	800	800
Wilson, Maggie E	Toronto, Ont	5	500	500
Gallagher, James	Toronto, Ont	1	100	10
Thomas, A. Wm	Toronto, Ont	10	1,000	
Luxton, A. G. H	Milton, Ont	10	1,000	
Bradley, A. B	Georgetown, Ont	10	1,000	
Linton, Adam	Guelph, Ont	10	1,000	100
Richardson, George	Toronto, Ont	1	100	10
Mitchell, J. W	Toronto, Ont	1	100	
Gilchrist, John	Toronto, Ont	30	3,000	3,000
		5,789	578,900	291,310

N.B.—Of the foregoing the following were received subsequent to October 22, 1906.

Name.	Residence.	No. Shares.	Amount.	Amount Paid.
			$	$
Latch, Emma	Toronto, Ont	8	800	800
Linton, Adam	Guelph, Ont	10	1,000	100
Wilson, Maggie E	Toronto, Ont	5	500	500
Gallagher, James	Toronto, Ont	1	100	10
Thomas, A. W	Toronto, Ont	10	1,000	
Richardson, George	Toronto, Ont	1	100	10
		35	3,500	1,420

The foregoing is certified to be a true copy of the share list of the Farmers' Bank of Canada.

W. R. TRAVERS,
General Manager.

COPY

'E' CANADA GAZETTE.

THE FARMERS' BANK OF CANADA.

To the subscribers of the capital stock of the Farmers' Bank of Canada:—

Public notice is hereby given that a meeting of the subscribers to the capital stock of the Farmers' Bank of Canada will be held on Monday, the twenty-sixth day of November, 1906, at ten o'clock in the forenoon, at Room No. 103, Stair Building, corner Bay and Adelaide streets, in the City of Toronto, in the Province of Ontario.

The business of the meeting will be:—

To determine the day on which the annual general meeting of the bank is to be held.

To elect such number of directors duly qualified under the Bank Act as the subscribers may think necessary, who shall hold office until the annual general meeting of the year next succeeding their election.

To fix the quorum for a meeting of the directors, which shall be not less than three.

To fix the directors' qualifications subject to the provisions of the Bank Act.

To fix the method of filling vacancies in the board of directors whenever the same occur during each year.

To fix the time and proceedings for the election of the directors in case of the failure of any election on the day appointed for it.

To determine when to close the stock books for subscription of the bank's stock by the public at par.

To prescribe the record to be kept of proxies and the time not exceeding thirty days within which proxies must be produced and recorded prior to any subsequent meeting in order to enable the holder to vote thereat.

And to regulate such other matters by by-law as the shareholders may regulate pursuant to the terms of section 18 of the Bank Act.

By order of the provisional directors.

W. R. TRAVERS,
Provisional General Manager.

C. H. SMITH,
Secretary of the Provisional Board of the Farmers' Bank of Canada.

Dated at Toronto, 18th October, 1906.

In the matter of The Bank Act and amendments and of the Farmers' Bank of Canada. This is Exhibit 'F' to the declaration of W. R. Travers, declared before me this 27th day of November, 1906.

W. H. HUNTER,
A Com., &c.

THE FARMERS' BANK OF CANADA.

To the Subscribers of the Capital Stock of The Farmers' Bank of Canada.

Public Notice is hereby given that a meeting of the subscribers to the Capital stock of the Farmers' Bank of Canada, will be held on Monday, the Twenty-sixth day of November, 1906, at ten o'clock in the forenoon, at Room No. 103, Stair Building, corner Bay and Adelaide streets, in the city of Toronto, in the Province of Ontario. The business of the meeting will be: To determine the day on which the annual general meeting of the Bank is to be held; to elect such number of directors duly qualified under the Bank Act as the subscribers may think necessary, who shall hold office until the annual general meeting of the year next succeeding their election; to fix the quorum for a meeting of the directors, which shall be not less than three; to fix the directors' qualifications, subject to the provisions of the Bank Act; to fix the method of filling vacancies in the Board of Directors whenever the same occur during each year; to fix the time and proceedings for the election of directors in case of the failure of any election on the day appointed for it; to determine when to close the stock books for subscription of the bank's stock by the public at par; to prescribe the record to be kept of proxies and the time, not exceeding thirty days, within which proxies must be produced and recorded prior to any subsequent meeting in order to enable the holder to vote thereat; and to regulate such other matters by by-law as the shareholders may regulate, pursuant to the terms of section 18 of the Bank Act.

By order of the Provisional Directors.

W. R. TRAVERS,
Provisional General Manager.

C. H. SMITH,
Secretary of Provisional Board of Directors, Farmers' Bank of Canada.

Dated at TORONTO, October 23, 1906.

FINANCE DEPARTMENT, OTTAWA, CANADA,
28th November, 1906.

E. L. NEWCOMBE, ESQ., K.C.,
Deputy Minister of Justice,
Ottawa.

DEAR SIR,—I beg to inclose herewith a file of papers being an application from the Farmers' Bank of Canada for a certificate to commence business under section 13-17 of the Bank Act.

Kindly advise me if on the papers submitted such a certificate may legally issue.

T. C. BOVILLE,
Deputy Minister of Finance.

DEPARTMENT OF JUSTICE OF CANADA,

OTTAWA, 28th November, 1906.

The Deputy Minister of Finance,
Ottawa.

SIR,—I have the honour to acknowledge receipt of your letter of the 28th instant, and of the inclosed papers, being the application from the Farmers' Bank of Canada for a certificate to commence business, under section 13-17 of the Bank Act, and papers in support thereof.

You ask me to advise you if on the papers submitted such certificate may legally issue.

In reply, I beg to state that the statements in the statutory declaration of Mr. Walter R. Travers are sufficient, if they are accepted, to show compliance with the statutory provisions, and that the evidence thus afforded is such as the Treasury Board may lawfully accept under the Act, and thereupon issue to the bank a certificate under section 14 of the Act.

Papers returned herewith.

E. L. NEWCOMBE,
Deputy Minister of Justice.

MINISTER OF FINANCE, CANADA,
OTTAWA, November 30th, 1906.

W. R. TRAVERS, ESQ.,
General Manager of the Farmers' Bank of Canada,
Russell House, Ottawa.

DEAR SIR,—I regret that owing to pressing engagements yesterday, arising out of the Budget, I was unable to meet you to consider your application for the issue of a certificate to authorize the Farmers' Bank of Canada to commence business. I shall be glad to see you to-day, at my office, at any time before one o'clock if you can call. Or I might be able to see you later, between four and five, at the House of Commons, if that will be more convenient.

There is a phase of the matter which I should like to bring to your notice so that you may consider it at once. It has been represented to us that in some previous instances where an application was in all respects apparently regular, there was actually an evasion of the intention of the Bank Act in relation to the paid-up capital. We have been told that in some cases the subscribers did not actually pay in cash but gave notes to the provisional directors which were used to raise the money. On account of information of this kind, which has reached us in relation to a previous case, we deem it proper to scan very closely every application for a certificate which comes to us. I shall be glad to have an assurance that nothing of the kind has taken place in relation to the subscriptions for the Farmers' Bank, but that the amounts set forth in the application as having been paid up have in every case been bona fide cash payments.

W. S. FIELDING,
Minister of Finance.

OTTAWA, November 30, 1906.

The Hon. W. S. Fielding,
Minister of Finance, Ottawa, Ont.

DEAR SIR,—In reply to your letter of the 30th of November, I have to say that in the case of the Farmers' Bank of Canada, the provisional directors did not raise the

money in the way mentioned by you. You will find the statement put in by me absolutely correct as to the amount of stock subscribed and the amount paid up.

W. R. TRAVERS,
General Manager, Farmers' Bank of Canada.

EXTRACT from the minutes of a meeting of the Honourable the Treasury Board, held at Ottawa, on the thirtieth day of November, 1906.

Treasury Board.—The Board had under consideration an application made by the Farmers' Bank of Canada under the provisions of the Bank Act for the issue by the Treasury Board of a certificate permitting the said bank to issue notes and commence the business of banking.

It having been shown to the satisfaction of the Board that all the requirements of section 15 of the said Act have been complied with the Board authorize the issue of the certificate applied for.

T. C. BOVILLE,
Secretary.

TREASURY BOARD, OTTAWA, November 30, 1906.

CERTIFICATE.

This is to certify that the Treasury Board, at a meeting held on the thirtieth day of November, A.D., 1906, authorized the issue of a certificate under the provisions of the Bank Act permitting the Farmers' Bank of Canada to issue notes and commence the business of banking, and this certificate is hereby issued in accordance with such authority and for the purposes above mentioned.

Dated at Ottawa, this thirtieth day of November, A.D., 1906.

T. C. BOVILLE,
Secretary of the Treasury Board.

FINANCE DEPARTMENT,

OTTAWA, CANADA, 30th November, 1906.

W. R. TRAVERS, Esq.,
General Manager,
Farmers' Bank of Canada,
Toronto.

SIR,—Referring to your letter of the 27th instant to the address of the Deputy Minister of Finance applying for the certificate of the Treasury Board entitling the Farmers' Bank of Canada to commence the business of banking, I beg to hand you herewith a certificate issued under the authority of the Treasury Board, in accordance with the provisions of the Bank Act, permitting the Farmers' Bank of Canada to issue notes and commence the business of banking.

Having reference to the deposit of $250,000 paid to the Minister of Finance and Receiver General under section 13 of the Bank Act, I beg to hand you herewith Finance Department cheque on the Bank of Montreal, Ottawa, in favour of the Farmers' Bank of Canada for $245,000.

The balance of $5,000 is retained as a deposit in 'The Bank Circulation Redemption Fund' in accordance with the provisions of sub-section 3 of section 54 of the Bank Act.

T. C. BOVILLE,
Deputy Minister of Finance.

30th November, 1906.

Received from the Minister of Finance and the Receiver General cheque for the sum of two hundred and forty-five thousand dollars payable to the order of the Farmers' Bank of Canada in accordance with section 17 of the Bank Act.

W. R. TRAVERS,
General Manager, Farmers' Bank of Canada

CANADIAN BANKERS' ASSOCIATION, INCORPORATED 1900,
MONTREAL, November 30, 1906.

T. C. BOVILLE, Esq.,
Deputy Minister of Finance,
Ottawa.

Farmers' Bank of Canada.

DEAR SIR,—In connection with the application of the Farmers' Bank of Canada for the usual certificate from the Treasury Board, I have reason to believe that the money lodged, or to be lodged, at Ottawa as stock subscriptions, cannot be regarded as paid-up capital, and that a large proportion of the amount necessary to the obtaining of a certificate is a loan made upon the promise of its payment when returned by your Department.

Permit me to request that, if only for the protection of the public, the Treasury Board will exercise its right to refuse to issue a certificate if it thinks best so to do, until a thorough investigation has been made into the circumstances stated herein.

E. S. CLOUSTON,
President.

FINANCE DEPARTMENT, OTTAWA, CANADA,
December 3, 1906.

E. S. CLOUSTON, Esq.,
President Canadian Bankers' Association,
Montreal, P.Q.

Dear Mr. CLOUSTON,—I beg to acknowledge the receipt of your letter of the 30th ultimo, respecting the Farmers' Bank of Canada. I note what you state with regard to the money paid in under section 13 of the Bank Act.

In view of the published reports in the newspapers, of some litigation in connection with the subscriptions to the capital of this bank, the matter has had the careful attention of the Department, and some time ago the general manager of the bank was communicated with to the effect that when applying for the certificate to commence business, in addition to the list of subscriptions to the extent of a half million required by the Bank Act, the statement should contain also the actual amount of cash paid up by each subscriber on his subscription. On the 29th ultimo application, in due form, was made by the bank for the certificate permitting it to commence the business of banking. The application was accompanied by the usual documents and also by a list of the subscriptions of cash paid in by each subscriber. The list itself covers over 500 names and nothing therein appeared calling for any particular comment. From the statutory declaration of the general manager I quote the following paragraphs:—

4. On the twenty-third day of October, 1906, there had been actually bona fide subscribed five thousand seven hundred and fifty-seven shares of the capital stock of the Farmers' Bank of Canada, and I have had personal knowledge of the applications and subscriptions, and each and all of the said subscriptions is and are on the printed form of application—a copy of which is now produced

and marked Exhibit 'C,' to this my declaration, and that the said subscription appeared on the stock books of the said bank, and that a sum beyond $250,000 thereof in cash has been actually paid in by the subscribers of the same.

5. Now shown to me and marked Exhibit 'D' to this my declaration is a list of the subscribers of the capital stock of the said bank correctly setting forth as to each subscription the name of the subscriber, his address, the number of shares subscribed for by him, the amount of such shares and the amount paid in thereon. Each of the said subscriptions is a bona fide subscription to the capital stock of the said bank.

I previously had some conversation with Mr. Fielding, who was very busy in connection with the preparation of the Budget speech, with regard to this application. But on Friday last, the day after the delivery of the Budget speech, Mr. Travers, the general manager, had an interview with him. In the course of this interview that gentleman gave a most positive assurance that 'not a dollar' of the amount deposited had been borrowed. For the purpose of record Mr. Fielding wrote Mr. Travers a letter, of which I inclose a copy, asking for the assurance that the amounts set forth in the application as having been paid in were in every case bona fide cash payments. I inclose a copy of Mr. Travers' reply.

Under these circumstances there did not seem to be any warrant for the withholding of a certificate under section 14 of the Act, and, accordingly, a certificate was issued on the 30th ultimo.

T. C. BOVILLE,
Deputy Minister of Finance.

THE FARMERS' BANK OF CANADA,
MILTON, April 17, 1907.

T. C. BOVILLE, Esq.,
Deputy Minister of Finance,
Ottawa.

DEAR SIR,—Will you kindly give me your opinion as to the following: Our general manager sends to the different branches lists of notes given in payment of our capital stock. These notes he makes the managers put through as discounts, crediting the amount to H.O. This is figured in the government return as paid up capital and circulation issued to that amount. If I read the Bank Act correctly, section 76, he is asking us to do what is not right. As I do not wish to do anything contrary to the law I should be much obliged if you give me the ruling on it. With many apologies for troubling you.

G. VANKOUGHNET,
Manager.

P.S.—When answering please address to 68 Howard avenue, Toronto, and oblige.

FINANCE DEPARTMENT,
OTTAWA, May 1, 1907.

G. VANKOUGHNET, Esq.,
68 Howard avenue,
Toronto.

DEAR SIR,—I beg to acknowledge receipt of your letter of the 17th ultimo.

I must apologize for the delay in replying. Parliamentary business at this time in the session takes precedence over other duties.

While it is not deemed expedient to enter into correspondence at this stage, the matter referred to by you is of sufficient importance to warrant further inquiry. This will shortly be made. I should like to have a copy of any of the notes.

T. C. BOVILLE,
Deputy Minister of Finance.

FINANCE DEPARTMENT,

OTTAWA, May 2, 1907.

W. R. TRAVERS,
General Manager, Farmers' Bank of Canada,
Toronto, Ont.

SIR,—I am directed by the Honourable the Minister of Finance to call for a special return of your bank showing:—

1. What portion, if any, of the $375,473 paid up capital of the bank, as per return of liabilities and assets of March 30, 1907, is represented by promissory notes or other obligations of shareholders or the proceeds of the same of which the bank is the holder or is liable thereon.

2. The names and holdings of stock of such shareholders, if any, with particulars of such notes or obligations now current.

In this connection let me draw your attention to sub-sections 2 and 3 of section 113 of the Bank Act. I should be very much obliged to have this information at your very earliest convenience.

T. C. BOVILLE,
Deputy Minister of Finance.

THE FARMERS' BANK OF CANADA,

MILTON, May 3, 1907.

T. C. BOVILLE, Esq.,
Deputy Minister of Finance,
Ottawa.

DEAR SIR,—I have received your letter of 1st instant and inclose as requested one of the notes which I referred to in my letter to you of 17th ult.; when we renewed these notes we dated them 2nd Jany., '07, or later, and made them payable at this office.

The amount under discount at this office 30th April was about $111,885.

G. VANKOUGHNET.

Address 68 Howard avenue, Toronto, when replying.

Due June 30, '07.

TORONTO, June 27, 1906.

$4,500.00.

Twelve months after date I promise to pay to the order of the Provisional Directors of

The Farmers' Bank of Canada

Forty-five hundred..... .....Dollars
at the office of the Farmers' Bank of Canada, Toronto, for value received.
.....46

Endorsement as follows:—

Pay to the order of W. R. Travers,
John Ferguson,
Alex. Fraser,
Jas. Gallagher,
A. L. Lown,
John Watson,
Without recourse.
per W. R. Travers.
Attorney.

W. R. TRAVERS.

THE FARMERS' BANK OF CANADA,

TORONTO, May 7, 1907.

T. C. BOVILLE, Esq.,
Deputy Minister of Finance,
Ottawa, Ontario.

DEAR SIR,—I beg to acknowledge receipt of your favour of the 2nd calling for a special return from this bank, which will have our careful attention in a day or two. The president is out of the city, but I expect him back this week.

W. R. TRAVERS,
General Manager.

THE FARMERS' BANK OF CANADA,

TORONTO, May 11, 1907.

T. C. BOVILLE, Esq.,
Deputy Minister of Finance,
Ottawa, Ontario.

DEAR SIR,—I have the honour to inclose herewith return of the liabilities and assets of this bank to the 30th of April last and also the special return asked for in your letter of May 2.

W. R. TRAVERS,
General Manager.

FINANCE DEPARTMENT,

OTTAWA, December 3, 1908.

Sir EDWARD CLOUSTON,
President Canadian Bankers' Association,
Montreal, P.Q.

Dear Sir EDWARD CLOUSTON,—Mr. Knight telephoned me to-day with regard to the Farmers' Bank and a reported proposed transaction in connection with the sale of a large amount of stock. I have examined the bank's returns for some months past and I find in March last that the subscribed capital of the Farmers' Bank increased from $638,700 in February to $1,000,000 in March. The paid up capital from that time until the present has increased, but not very materially.

In view of Mr. Knight's message I thought it well, under section 113 of the Bank Act, to call for a special return showing the names and addresses of the new subscribers, the amounts subscribed and the amounts paid in on account thereof to date; also information with regard to any transfers which have taken place between that time and the present. This information may be of interest and of use to the department, and, so far as I can ascertain from the Bank Act, is as far as I have any authority to go.

T. C. BOVILLE,
Deputy Minister of Finance.

Telegram.

OTTAWA, December 3, 1908.

Sir EDWARD CLOUSTON,
Bank of Montreal,
Montreal.

Referring to Knight's message, special return called for respecting increase in subscribed stock March last.

T. C. BOVILLE.

FINANCE DEPARTMENT,
OTTAWA, December 3, 1908.

W. R. TRAVERS, Esq.,
General Manager, Farmers' Bank of Canada.
Toronto.

DEAR SIR,—For the Minister of Finance I beg leave to ask you to furnish a special return under section 113 of the Bank Act, such return to state:—

(*a*) Names and addresses of subscribers to capital stock of the Farmers' Bank of Canada whereby the subscribed capital stock of the bank was increased from $638,700 (the amount indicated by the monthly return of the bank in February, 1908) to $1,000,000 (the amount indicated by the monthly return for March, 1908), together with the number of shares subscribed for by the respective subscribers and the amounts paid in in cash by each on account thereof to this date.

(*b*) Names and addresses of any and all transferees of any and all shares referred to in (*a*) together with the number of shares held by such transferees.

T. C. BOVILLE,
Deputy Minister of Finance.

Telegram.

MONTREAL, Que., December 3, 1908.

T. C. BOVILLE,
Deputy Minister of Finance,
Ottawa, Ont.

Would suggest asking party named to telegraph exact figures of paid-up capital for thirtieth November

JOHN KNIGHT.

Telegram.

OTTAWA, Dec. 4, 1908.

W. R. TRAVERS, General Manager, Farmers' Bank, Toronto.

Referring my letter of yesterday wire me exact figures of subscribed and paid-up capital for thirtieth November.

T. C. BOVILLE.

Telegram.

TORONTO, Ont., Dec. 4, 1908.

T. C. BOVILLE,
Deputy Minister of Finance,
Ottawa.

Subscribed capital one million dollars; paid-up five hundred and forty-one thousand eight hundred and eighty-one dollars.

W. R. TRAVERS.

Telegram.

OTTAWA, Dec. 4, 1908.

JOHN KNIGHT,
Secretary, Canadian Bankers' Association,
Montreal.

Referring to your message received this morning exact figures for thirtieth November are five hundred and forty-one thousand eight hundred and eighty-one dollars.

HENRY T. ROSS.

CANADIAN BANKERS' ASSOCIATION,
MONTREAL, December 4, 1908.

T. C. BOVILLE, ESQ.,
Deputy Minister of Finance,
Ottawa.

Farmers' Bank of Canada.

Dear Mr. BOVILLE,—I am in receipt of your letter of 3rd inst. In transferring you, by 'phone, to Mr. Stavert, I was actuated by a desire to let him hear directly from you the intentions of your department. He is frequently in Toronto, is a close student of affairs of interest to the united banks, and has rendered valuable service to the Association.

JOHN KNIGHT.

FINANCE DEPARTMENT,
OTTAWA, December 5, 1908

JOHN KNIGHT, ESQ.,
Secretary, Canadian Bankers' Association,
Montreal, P.Q.

Dear Mr. KNIGHT,—I have your letter respecting the Farmers' Bank.

At the suggestion of yourself and Mr. Stavert I telegraphed the Farmers' Bank, and of the information resulting from that telegram you are now in possession. If there are any developments which you think should be brought to my notice, I shall be very glad to hear from you.

T. C. BOVILLE,
Deputy Minister of Finance.

THE FARMERS' BANK OF CANADA,
TORONTO, December 4, 1908.

T. C. BOVILLE, ESQ.,
Deputy Minister of Finance,
Ottawa, Ontario.

DEAR SIR,—I received your telegram of to-day and wired you as follows: 'Subscribed Capital $1,000,000, Paid-up Capital $541,881.

This request strikes me as being rather strange considering that our statement to the 30th of November would be mailed in a few days. It must really be that some enemies of this bank are bringing some influence to bear upon the Department to try to injure this bank. Permit me to say that our affairs are in as good shape, or perhaps better for the size of the bank, than any other in Canada.

Should the public become aware that the department was asking for special statements from time to time, there being no earthly reason for them, serious trouble could not but ensue to this bank, and those to blame would have to accept the responsibility.

W. R. TRAVERS,
General Manager.

THE FARMERS' BANK OF CANADA,
TORONTO, December 12, 1908.

T. C. BOVILLE, ESQ.,
Deputy Minister of Finance,
Ottawa, Ontario.

DEAR SIR,—In reply to yours of the 3rd, I have the honour to hand you herewith the special statement called for therein, and also the Return of the Liabilities and Assets of this bank to the 30th of November.

W. R. TRAVERS,
General Manager.

THE FARMERS' BANK OF CANADA.

Statement under Section 113, Bank Act.

HORACE CHEVRIER
JOHN T. HUGGARD } Trustees, The Continental Security Co., Winnipeg.
J. F. LANGAN

Agreed to take either by allotment or transfer 5,100 shares, $510,000, which was made up as follows:—

	Shares.			
Unsubscribed capital by allotment	3,613	$361,300		
Subscriptions cancelled by Board under Sec. 37 of the Bank Act, upon which no payments were made, and allotted	774	77,400		
Total by allotment	4,387	$438,700		
By transfer from various shareholders	713	71,300	upon which was paid	$59,300
	5,100	$510,000		
These have since been transsferred as follows:				
John Tevis, Louisville, Ky	1,120	$112,000	upon which is paid	$112,000
Melville D. Chapman, New York	30	3,000	upon which is paid	3,000
" " (In trust)	3,850	385,000		
W. R. Travers	100	10,000		
	5,100	$510,000		$115,000

We declare that the foregoing return is made up from the books of the bank, and that to the best of our knowledge and belief it is correct.

J. FITZGIBBON,
Chief Accountant.

W. R. TRAVERS.
General Manager.

JAMES MUNRO,
President.

TORONTO, December 12, 1908.

SPECIAL RETURN—THE FARMERS' BANK OF CANADA.

Called for by the Honourable Minister of Finance in letter of May 2, 1907.

1. The portion of the $375,473 paid up capital of the Bank, as per Return of March 30, 1907, represented by Promissory Notes of the Shareholders, held by the Bank, amounts to $59,110.

2. The following is a list of the notes:—

Name.	Address.	Occupation.	No. Shares.	Amount.	Amount Note.	Date.	Payable.	Due Date.
				$ cts.	$ cts.			
Andrews, J. W.	Milton	Farmer	2	200 00	180 00	Jan. 2	On June 1	June 4.
Alderson, Thomas	"	"	5	500 00	450 00	" 2	" May 26	May 29.
Brown, R. L.	Georgetown	"	50	5,000 00	4,500 00	Feb. 27	4 months	June 30.
Bell, G. A.	Lowville	"	7	700 00	630 00	" 28	On June 2.	" 5.
Bastedo, Ida A.	Milton	M. woman	5	500 00	450 00	Jan. 2	" Dec. 1	Dec. 4.
Bennett, D. H.	Zimmerman	Farmer	10	1,000 00	675 00	" 2	" Apr. 16.	Apr. 19.
Bridgman, B.	"	"	5	500 00	360 00	" 2	" June 1	June 4.
Bunt, Rev. W. T.	Springford	Clergyman	1	100 00	60 00	" 2	6 months	July 5.
Bunt, Rev. W. T.	"	"	1	100 00	80 00	" 2	12 "	Jan. 5.
Bingham, J.	Georgetown	Farmer	1	100 00	90 00	" 2	7 "	Aug. 5.
Campbell, D.	Ballinafad	"	3	300 00	270 00	" 2	6 "	July 5.
Campbell, J.	Glenwilliams	"	3	300 00	270 00	" 8	6 "	" 11.
Clement, E.	Burgessville	Book-keeper	1	100 00	50 00	" 2	6 "	" 5.
Clement, M.	Milton	Sheriff	5	500 00	450 00	" 2	On July 28	" 31.
Coulson, W. J.	Kilbride	Farmer	5	500 00	450 00	" 2	" " 1	" 4.
Coulson, John	"	"	25	2,500 00	2,050 00	" 2	" " 1	" 4.
Downs, E. W.	Drumquin	"	25	2,500 00	1,850 00	" 2	" June 16	June 19.
Downs, A. J.	"	"	25	2,500 00	2,250 00	" 2	" May 1	May 4.
Darling, R. A.	Mansewood	"	5	500 00	450 00	" 2	" Aug. 1	Aug. 4.
Eaton, A.	Mt. Nemo	"	100	10,000 00	2,500 00	Mar. 31	" July 11	July 14.
Ford, J. A.	Omagh	"	5	500 00	450 00	Jan. 2	" May 10	May 13.
Ford, J. F.	"	"	50	5,000 00	4,800 00	" 2	" June 3	June 6.
Ford, E.	"	"	25	2,500 00	2,250 00	Mar. 13	" " 15	" 18.
Ford, J.	Boyne	"	50	5,600 00	4,800 00	Jan. 2	" May 17	May 20.
Foster	Lowville	"	15	1,500 00	1,350 00	" 2	" June 8	June 11.
Fox, R. W.	Omagh	"	25	2,500 00	2,250 00	" 2	" " 15	" 18
Galloway, C. E.	Milton	Drover	5	500 00	450 00	" 2	" May 25	May 28.
Gunby, B.	Kilbride	Farmer	50	5,000 00	950 00	Mar. 8	" July 1	July 4
Haseltine, William	Rothsay	"	10	1,000 00	700 00	" 12	6 months	Sept. 15.
Hume, John	Scotch Block	"	5	500 00	450 00	Feb. 27	On June 2	June 5.
Husband, G. E.	Ash	"	10	1,000 00	900 00	Jan. 2	" Apr. 16.	Apr. 19.
Husband, R. W.	"	"	10	1,000 00	900 00	" 2	" " 10	" 13.
Heeks, Henry	Palermo	"	10	1,000 00	900 00	" 2	" " 10	" 13
Irving, John	Milton	Grain buyer	5	500 00	150 00	" 2	" May 9	May 12.

Name.	Address.	Occupation.	No. Shares.	Amount.	Amount Note.	Date.	Payable.	Due Date.
				$ cts.	$ cts.			
Joyce, C.	Mansewood	Farmer	5	500 00	450 00	" 2	" Aug. 1	Aug. 4.
Kennedy, W. N.	Hornby	"	5	500 00	250 00	" 2	" May 28	May 31.
Kennedy, G. A.	Milton	"	10	1,000 00	900 00	" 2	" July 1	July 4.
Kerr, John	"	"	50	5,000 00	2,000 00	Mar. 27	" May 1	May 4.
Kirkpatrick, W.	Burgessville	"	1	100 00	90 00	Jan. 2	6 months	July 5.
Morrison, A.	Ashgrove	"	1	100 00	90 00	" 2	On Aug. 28	Aug. 31.
Morrison, H.	"	"	5	500 00	450 00	" 2	" July 23	July 26.
McGregor, C. D.	Milton	"	5	500 00	350 00	" 2	" June 4	June 7.
McCann, E., jr.	Omagh	"	10	1,000 00	900 00	" 2	" July 30	Aug. 2.
McKinnon, B. P.	Finch	"	10	1,000 00	500 00	Mar. 21	6 months	Sept. 24.
Panton, William	Milton	Publisher	10	1,000 00	900 00	Jan. 7	3 "	Apr. 10.
Patterson, E.	Palermo	Farmer	1	100 00	75 00	" 2	On June 8	June 11.
Peddie, J. C.	Milton	"	5	500 00	250 00	" 2	" " 9	" 12.
Powell, H. H.	Lowville	"	30	3,000 00	1,350 00	" 2	" May 5	May 8.
Ratz, John	Khiva	Lumberman	10	1,000 00	300 00	Mar. 1	2 months	" 4.
Richardson, T. W.	Glenwilliams	Farmer	10	1,000 00	900 00	Jan. 2	8 "	Sept. 5.
Scott, W. N.	Milton	"	50	5,000 00	3,500 00	Mar. 27	On May 4	May 7.
Scott, Mary M.	"	Spinster	30	3,000 00	2,900 00	Jan. 2	" June 8	June 11.
Sinclair, W. G.	Zimmerman	Farmer	100	10,000 00	3,450 00	" 21	" " 15	" 18.
Sanders, W. H.	Tillsonburg	"	5	500 00	250 00	" 2	6 months	July 5.
Starrett, M. J.	Glenwilliams	"	1	100 00	90 00	" 9	6 "	" 12.
Thompson, Agnes	Terra Cotta	"	14	1,400 00	300 00	Mar. 20	4 "	" 23.
				92,700 00	59,110 00			

We declare that the foregoing return is made up from the books of the Bank, and that to the best of our knowledge and belief it is correct.

W. BEATTIE NESBITT, *President.*
W. R. TRAVERS, *General Manager.*

I declare that the above return has been prepared under my directions and is correct according to the books of the Bank.

J. FITZGIBBON, *Chief Accountant.*

TORONTO, ONT., this 10th day of May, 1907.

FINANCE DEPARTMENT,
OTTAWA, December 15, 1908.

W. R. TRAVERS, Esq.,
General Manager,
Farmers' Bank of Canada,
Toronto, Ont.

DEAR SIR,—I beg to acknowledge receipt of yours of the 12th instant, inclosing special return pursuant to the request of the Deputy Minister of date of the 3rd instant.

HENRY T. ROSS,
Assistant Deputy Minister.

CANADIAN BANKERS' ASSOCIATION,
SECRETARY-TREASURER'S OFFICE,
Bank of Montreal Building.
MONTREAL, December 7, 1909.

Hon. W. S. FIELDING,
Minister of Finance,
Ottawa.

DEAR SIR,—I am requested by the President of this Association to inform you that a deposit receipt issued by the Farmers' Bank of Canada in its own favour for one hundred to one hundred and fifty thousand dollars, made payable in March next, is being offered for sale in New York, and, in fact, was submitted yesterday with a request for an advance thereon to the New York agents of the Royal Bank of Canada. I as reporting this fact to you believing you will deem it necessary to ask for an immediate explanation and to call for special returns from the bank in question.

JOHN KNIGHT,
Secretary.

Telegram.

MONTREAL, Dec. 21, 1909.

T. C. BOVILLE,
Department Finance,
Ottawa.

Referring to associated letter of seventh instant, can you inform Vice-President Burn result of action?

JOHN KNIGHT.

FINANCE DEPARTMENT,
OTTAWA, December 2, 1909.

JOHN KNIGHT, ESQ.,
Secretary, Canadian Bankers' Association,
Montreal, P.Q.

DEAR SIR,—I have your telegram of yesterday to which I did not reply inasmuch as I had several conversations with Mr. Burn on the subject of it.

T. C. BOVILLE,
Deputy Minister of Finance.

FINANCE DEPARTMENT,
OTTAWA, CANADA, December 23, 1909.

W. R TRAVERS, ESQ.,
General Manager, Farmers' Bank of Canada,
Toronto, Ont.

DEAR SIR,—I have been examining the Bank returns for November last, especially with regard to the reserve held by the Banks against immediate liabilities.

The amount of cash reserve held by the whole of the Chartered Banks is reported on that date as $103,808,457, of which $31,797,856 is specie and $71,510,601 Dominion notes, or a little over 12 per cent against the amount of notes in circulation, and the deposits by the public payable on demand and the deposits by the public payable after notice. The total amount of the liabilities of all the Banks is reported as $968,603,603. The total amount of specie and Dominion Notes held on the 30th November represents something over 10 per cent.

In analysing these figures in the case of individual banks I find that in your case the proportion of cash reserve to immediate liabilities to the public and also to the total liabilities is something over 2 per cent.

It seems to the department that a cash reserve of between 2 and 3 per cent to immediate liabilities totalling over $2,000,000 seems very small compared with what is usually held. The Bank Act establishes no fixed proportion of cash reserve to be held; That is left to be governed by the particular circumstances of each bank. In the case of your institution there may be conditions of which this department is unaware which might enable the holding of an exceptionally small reserve.

I am directed by the Minister of Finance to ask you to be good enough to advise me of the nature of the special circumstances which you may regard as justifying you in holding such a small proportion of cash reserve against such a large amount of liabilities, the payment of which might be immediately demanded.

T. C. BOVILLE.
Deputy Minister of Finance.

THE FARMERS' BANK OF CANADA,
GENERAL MANAGER'S OFFICE,
TORONTO, December 27, 1909.

T C BOVILLE, Esq.,
Deputy Minister of Finance,
Ottawa, Ontario.

DEAR SIR,—I have your favour of the 23rd, and in reply beg to say that under the heading of 'Other Assets not included under the foregoing heads' is a deposit with the Trust & Guaranty Co. of $147,380, which we have been placing under that head as per your instructions of February, 1907. By some oversight the usual notation was not made at the foot of our return as you will find on previous ones.

In addition to this, under the heading of 'Deposits made and Balances due from other Banks in Canada,' you will find $96,154, both of which amounts are subject to our cheque on call and, therefore, can be converted into legals any day we wish.

Add to this the legals and specie on hand, and it will make a total of over $300,000, which equals 15 per cent upon our total liabilities, which is a better showing than the general average you speak of.

In the absence of a rest fund, we cannot afford to keep much idle money.

W. R. TRAVERS.
General Manager.

STATE OF NEW YORK,
INSURANCE DEPARTMENT,
ALBANY, January 11, 1910.

Honourable WILLIAM S. FIELDING,
Minister of Finance,
Parliamentary Building, Ottawa,
Dominion of Canada.

MY DEAR SIR,—Since December 25, 1909, this department has been investigating a transaction whereby, as now appears, the control of the People's Mutual Life Insurance Association and League, a fraternal beneficiary society organized under the laws of New York and doing business from a principal office at Syracuse, was by its then directors transferred to one John Tevis, of Louisville, Ky., and his associates, for what now seems to be a very substantial consideration. This company, being a fraternal society, under the decisions of the courts of this State, the moneys paid by Mr. Tevis and his associates to certain directors of the People's Mutual Life Insurance Association and League belong to that society and not to them. As at present advised, the amount of such payment was $110,000.

The moneys to accomplish this transfer were, so this department is informed, raised by Mr. Tevis on his obligation, or the obligation of himself and his associates, given to the Farmers' Bank of Canada, located at Toronto. The statement is made that Mr. Tevis, or he and his associates, secured such loan on collaterals furnished by him or them. The facts thus far developed seem to indicate that, as a part of the transaction, the new management at once disposed of about $180,000 of the securities of the insurance company and transferred $150,000, which was the amount loaned by the Farmers' Bank to Mr. Tevis, or to him and his associates, to such Farmers' Bank, receiving therefrom a pen-written certificate of deposit dated December 20, 1909, the same having been issued by W. R. Travers, the general manager of such bank, who was at that time in Syracuse.

On learning the facts this Department required the insurance company to give notice to the Farmers' Bank that it elected to withdraw such deposit, the certificate issued seeming to require such notice, the following words having been used therein: 'Ninety days' notice to be given of withdrawal.' Were this bank in this state it would be easily possible under our insurance law for me to ascertain the facts as to this transaction, so far as such bank is concerned. It being an institution which, as I understand, it is under your jurisdiction, may I not request that if consistent with your duty you ascertain for this department:—

1. What was the arrangement between John Tevis, or John Tevis and his associates, whereby the Farmers' Bank of Canada advanced to him, or to him and them, $150,000 shortly prior to December 20, 1909; the information desired to include, if you think proper, the names of any other persons associated with Mr. Tevis in borrowing this money from such bank, and the collateral or collaterals deposited by him or them in that connection.

2. What arrangement there was between Mr. Tevis and this bank which led its general manager to proceed to Syracuse with the currency, instead of delivering to Mr. Tevis a draft or check, to which if he was a borrower in due course he should have been entitled.

3. Whether as a part of the arrangement it was understood and agreed between Mr. Tevis, or Mr. Tevis and associates, and the Farmers' Bank of Canada, that the insurance company should deposit with such bank said sum of $150,000, that being the sum also loaned.

4. Whether or not the Farmers' Bank of Canada has any lien or claim upon the deposit of $150,000, seeming to have been made with it on or about December 20, 1909, and evidenced by the certificate of deposit above mentioned. In this connec-

tion I hand you herewith a photographic copy of such certificate of deposit, which, in the opinion of this department, indicates that the transaction was not in due course of business.

I shall also be grateful to you for any other information which you care to furnish concerning this transaction.

WILLIAM H. HOTCHKISS,

Superintendent of Insurance, State of New York.

SYRACUSE, N.Y., December 20, 1909.

Received from the People's Mutual Life Insurance Association and League the sum of one hundred and fifty thousand dollars to bear interest at the rate of three per cent per annum, ninety days' notice to be given of withdrawal.

THE FARMERS' BANK OF CANADA.

Not negotiable, *per* W. R. TRAVERS,

W.R.T. *General Manager.*

ALBANY, N.Y., January 12, 1910.

Hon. W. S. FIELDING,

Minister of Finance, Ottawa, Ont.

After reading my letter written yesterday can you telegraph the address of the Toronto branch of your department together with authority to my examiner to proceed there at once and secure infromation in reference to matters mentioned therein. We desire the information before Saturday, thanks for your courtesy.

WILLIAM H. HOTCHKISS,

Supt. of Insurance.

OTTAWA, January 12, 1910.

To WILLIAM H. HOTCHKISS,

Superintendent of Insurance,

Albany, N.Y.

There being no Government bank inspection in Canada I do not see how we can at present take the action that you desire. Probably the bank on application from you would explain the whole matter.

W. S. FIELDING.

OTTAWA, January 13, 1910.

WILLIAM H. HOTCHKISS,

Superintendent of Insurance,

Albany, New York, U.S.A.

While unable to proceed in the particular manner indicated by you, we desire to make some inquiry which will necessitate making use of your letter in a communication to the bank. Have you any objections to our so using your letter?

W. S. FIELDING.

ALBANY, N.Y., January 13, 1910.

Hon. W. S. FIELDING,

Minister of Finance,

Ottawa.

Replying to your telegram you are at liberty to make use of Department letter as suggested.

WILLIAM H. HOTCHKISS,

Supt. of Insurance.

SESSIONAL PAPER No. 110c

FINANCE DEPARTMENT,
OTTAWA, CANADA, January 14, 1910.

W. R. TRAVERS, Esq.,
General Manager,
Farmers' Bank of Canada,
Toronto.

DEAR SIR,—I beg to inclose copy of a letter received by the Minister of Finance from Mr. William H. Hotchkiss, Superintendent of Insurance, Albany, New York State. The minister did not feel that under the circumstances he would be justified in taking the particular step desired by Mr. Hotchkiss. Nevertheless, as the transaction appears to have been an unusual one, somewhat out of the ordinary course of banking business, the minister will be pleased if you will furnish an explanation of it.

T. C. BOVILLE,
Deputy Minister of Finance.

Telegram.

CANADIAN PACIFIC RAILWAY COMPANY'S TELEGRAPH.

ALBANY, N.Y., January 14, 1910.

Hon. W. S. FIELDING,
Minister of Finance, Parl. Bldgs., Ottawa.

Before receipt of your telegraph yesterday afternoon had instructed Arthur F. Saxton, examiner this department, to proceed to Toronto, interview Farmers' Bank and get facts. Should you desire you can reach him care King Edward Hotel to-day.

WM. H. HOTCHKISS.
Supt.

STATE OF NEW YORK INSURANCE DEPARTMENT.

ALBANY, January 14, 1910.

Hon. WILLIAM S. FIELDING,
Minister of Finance,
Ottawa, Canada.

DEAR SIR,—In explanation of my telegram as follows:—

> Before receipt your telegram yesterday afternoon had instructed Arthur F. Saxton, examiner this department, to proceed to Toronto, interview Farmers' Bank and get facts. Should you desire you can reach him care King Edward Hotel to-day.

permit me to say, the New York *World* of the 12th contained a telegram from Toronto which stated in substance that W. R. Travers, the general manager of the Farmers' Bank of Canada, was willing to come to Albany at any time for examination touching his connection with the People's Mutual Life Insurance Association and League. On such matter being brought to my attention, I immediately wired Mr. Travers asking him to appear before me to-day, Friday. In reply thereto I received a telegram from him yesterday which stated in substance that he could not say at present when he could get away, but would advise me later. The facts surrounding the whole transaction with this bank being such, and there being a possibility that it might claim a lien upon the $150,000 deposited with it by the People's Mutual on December 20, seemed to make it imperative that I send an examiner to Toronto immediately. Hence, I instructed Examiner Saxton, whose name is given you in the telegram, to start for that city and to gather such facts as he could there to-day. Information which has reached this department indicates that John Tevis, who purports to be the

borrower of the $150,000 from the Farmers' Bank of Canada, is a man without financial responsibility. Two creditors of his have already attached some of the funds still undistributed in this People's Mutual matter at Syracuse.

I wanted you to have these facts in explanation of the other fact that Mr. Saxton is in Toronto to-day, you having in your telegram yesterday—received after he was sent—indicated that you expected to bring the matter directly to the attention of the Farmers' Bank. Mr. Saxton will return to Syracuse to-night, but if needed for a further investigation in Toronto will be ordered back. He is thoroughly familiar with all of the facts surrounding this unfortunate transaction.

WILLIAM H. HOTCHKISS,
Superintendent.

THE FARMERS' BANK OF CANADA,
GENERAL MANAGER'S OFFICE,
TORONTO, January 21, 1910.

T. C. BOVILLE, Esq.,
Deputy Minister of Finance,
Ottawa, Ontario.

DEAR SIR,—I have yours of the 14th with inclosure, and regret that my actions have caused you trouble.

To understand this matter properly, I will require to go back a few months. Messrs. Knabe, of the American Piano Company, New York and Baltimore, hold $112,000 stock in this bank in the name of their representative, Mr. John Tevis. They and their friends were anxious to obtain control of a Canadian Life Insurance Company and approached me to assist them with influence in the matter, which resulted in their obtaining control of a good company and their paying $100,000 on account of the option.

They heard that the People's Mutual of Syracuse could be purchased, as it appeared to be a dying concern, although having large assets, and that the risks could be reinsured with profit with some of their other companies. They asked me to give them financial aid in acquiring this company and wanted a loan of $150,000, secured by first-class collateral, and they were, after obtaining control of the company, to deposit $150,000 in this bank.

I had not the New York exchange, and they said our circulation would be sufficient to make a tender, and if the deal went through the First National Bank would accept the same and pay it out by degrees.

I and my chief inspector took the circulation over there, but matters did not turn out just as we expected and we brought it back; therefore, it was never issued.

I did, however, take a demand note for $150,000, secured by collateral, for which I issued an informal deposit receipt on obtaining from the majority of the directors an agreement to convert the said deposit into paid up stock in this bank. The agreement read, and the whole understanding was, that the entire deal was to be consummated on the 15th of January. Therefore, I did not nor have not as yet made any entries, no loan having been made, nor no cash received.

In the meantime the State Department stepped in through some political influence and stirred up trouble, which has thrown everything into confusion in the meantime, but I have every reason to believe that a legitimate and favourable settlement will soon be made.

I regret that you consider this an unusual banking transaction, but my sole and only object was with a view of placing more of my stock and the obtaining of large deposits.

W. R. TRAVERS,
General Manager.

NEW RUSSELL,
OTTAWA, January 26, 1910.

The Honourable
Deputy Minister of Finance,
Ottawa.

SIR,—Since seeing you this afternoon I have communicated with Superintendent Hotchkiss on the telephone and ascertained that all the testimony in this case is in the hands of the grand jury and the district attorney of Syracuse, N.Y., from whom you will doubtless be able to obtain copies to use as you may desire.

If you or the Finance Minister desire to borrow the copies I have with me we shall be very glad to loan them to you for two or three days, in which case please communicate with me at the Russell House before 10.30 p.m., as, unless I can be of assistance to you by staying here, I shall leave for Toronto on the 11.10 p.m. train.

To-mororw and Friday I can be reached at the office of Blake, Lash and Cassels, Canadian Bank of Commerce Building, Toronto.

As I said this afternoon, I am prepared to stay here, or go anywhere, if in your judgment there is any chance of my presence being advisable.

My conversation with Superintendent Hotchkiss over the 'phone was necessarily hurried, but he expressed his gratification at the interest you have shown in the matter.

CHARLES HUGHES.

THE NEW RUSSELL,
MULLIGAN BROS., Proprs.
OTTAWA, Canada, January 26, 1910.

Hon. W. S. FIELDING,
Minister of Finance,
Ottawa.

DEAR SIR,—Following up the interview with you this morning, I write to ask that in the event of any further representation being made to you by the parties who now have possession of what is called a deposit receipt of the Farmers' Bank of Canada for $150,000, or in the event of any application being made to you for departmental action against the bank or its manager, that you would be good enough to give us notice so that we may have an opportunity to attend again before you in the presence of these parties or otherwise, and then to present all the documents and correspondence and books to satisfy you that no liabilities exists on the part of the bank to pay the amount claimed.

I wish to repeat that my own inquiry has led me to the conclusion that no such liability exists and I have so advised the board of directors of the bank. Under the circumstances disclosed to me I think it would not be possible for the parties to recover against the bank in any proceedings they might be advised to institute, and, further, it would be a matter of surprise to me if under the circumstances they commence such an action in our courts.

I should add that I do not think the commencement of such an action would now lead to any crisis in the affairs of the bank or that it would cause very much embarrassment to the bank unless persons maliciously disposed should misrepresent the conditions or suppress material circumstances—and I do not think there should be reason to apprehend that. I will be here during to-morrow and I will be pleased to attend you further as you may request.

I will be glad also to make production to you from the bank of all documents and books that you may call for. It is, of course, very important to avoid publicity of any official inquiry by you, although, as stated, I do not apprehend any serious results of any action to recover the amount claimed.

I beg again to ask your consideration and that I should be notified of any further requests or claims made to you in the premises.

GEORGE H. WATSON.

FINANCE DEPARTMENT,
OTTAWA, January 27, 1910.

GEORGE H. WATSON, Esq.,
The New Russell,
Ottawa.

DEAR SIR,—At the request of Mr. Fielding I beg to acknowledge receipt of your letter of the 28th instant respecting the Farmers' Bank of Canada.

T. C. BOVILLE,
Deputy Minister of Finance.

TORONTO, January 27, 1910.

Hon. The Deputy Minister of Finance,
Ottawa, Ont.

SIR,—It has occurred to me since seeing you yesterday that it might be well for me to explain in a letter the proceedings of the bank with reference to the repudiation of the deposit of the Insurance Company.

On Wednesday, the 19th inst., Mr. Hadley, the representative of this department, called at the office of the bank, and presenting the certificate of deposit applied for return of the amount of the deposit. After interviewing the General Manager, the Chief Accountant and Manager of the Toronto branch, the last stated that the receipt was informal and not on the bank's regular form, and that he could not recognize it without specific instructions from the General Manager. The General Manager told our representative to return about three o'clock in the afternoon. At a few minutes to three our representative knocked at the door of the General Manager's room, whereupon the General Manager opened the door a few inches, and stated that his Board of Directors had refused to accept the waiver of notice. This statement seemed to imply that the directors accepted the validity of the deposit receipt. The directors' meeting was, of course, held on that day in addition to the general meeting of the stockholders of the bank.

On the afternoon of January 24, Mr. A. W. Anglin, our legal representative and I had an interview with Mr. Watson, who represents the bank in this matter. Mr. Watson stated that there had been a meeting of the bank's directors that day at which Mr. Travers and Mr. Hunter, the legal representatives of the bank were present. At this meeting it had been decided that any liability upon the deposit receipt should be absolutely repudiated, and that the loan to Tevis should also be absolutely repudiated, and that a letter should be written to Tevis notifying him that the stock he had deposited with the bank and which was then in Toronto, was held subject to his order. Mr. Watson further stated that these decisions were entered in the minutes of the meeting of that date (January the 24th). Mr. Watson further stated that this had been the determination arrived at at the board meeting, held Wednesday the 19th of January, although no record of that fact had been made in the minutes of the meeting held on that date.

CHARLES HUGHES,
Chief Inspector of Casualty and Miscellaneous Insurance Companies for the Insurance Dept. of the State of New York.

FINANCE DEPARTMENT,
OTTAWA, CANADA, January 28, 1910.

WILLIAM H. HOTCHKISS, Esq.,
Superintendent of Insurance,
Albany, N.Y., U.S.A.

DEAR SIR,—At the request of Mr. Fielding I beg to acknowledge receipt of your letter of the 14th instant on the subject of your inquiries into certain transactions of the Farmers' Bank of Canada.

At the same time I send you herewith a copy of the reply received from the general manager of that institution, to whom a copy of your letter of the 11th instant was sent for such explanation as could be offered. In connection with the above matter I may say that Mr. Hughes, your examiner, visited the department on the 26th instant.

T. C. BOVILLE.
Deputy Minister of Finance.

STATE OF NEW YORK, INSURANCE DEPARTMENT,
ALBANY, January 31, 1910.

Honourable T. C. BOVILLE,
Deputy Minister of Finance,
Parliament Buildings, Ottawa, Canada.

MY DEAR SIR,—This acknowledges yours of January 28, inclosing copy of letter addressed to you by W. R. Travers, general manager of the Farmers' Bank of Canada, which letter is dated January 21, 1910. I note that Mr. Travers takes the position that the certificate of deposit was informal merely. You will doubtless recall that when sworn and examined before me at Syracuse on January 17, 1910, Mr. Travers not only admitted that such certificate of deposit was a liability of his bank, but stated that the same would be paid. You will doubtless recall further a letter written by Mr. Travers to one M. G. Hunt on December 21, 1909, a copy of which was, I think, shown you by Chief Examiner Hughes when he was in Ottawa.

In view of the facts as they have been submitted to you since the receipt of the letter which you inclose, I trust that your department will feel it proper to continue its investigation to the ned that justice may be done both in the Dominion and in the State of New York.

WILLIAM H. HOTCHKISS,
Superintendent.

WATSON, SMOKE, CHISHOLM & SMITH,
Barristers, Solicitors, &c.,
National Trust Building, 20 King St. East,
TORONTO, ONT., May 10, 1910.

Honourable W. S. FIELDING,
Minister of Finance,
Ottawa, Ont.

DEAR SIR,—About two months ago, I spoke to you in connection with a matter in which the Farmers' Bank was interested. The First National Bank of Syracuse and the People's Life Insurance Company of the same place, claimed to have a deposit receipt of the Farmers' Bank for the sum of $150,000. It was deemed a matter of some importance, and you may recall that I then explained to you that the difficulty arose in relation to a proposed transaction never carried out and afterward

entirely abandoned. I also then stated to you the circumstances under which the possession of the document was obtained.

I was at the time quite satisfied that there was no liability on the part of the Farmers' Bank in connection with the matter, and it was always quite certain that the bank had not received any money on deposit for which such a receipt could regularly or properly be issued.

On behalf of the bank, I am glad now to be able to state to you that the document has been handed back to us by the First National Bank of Syracuse. We were informed that the parties who had obtained the moneys from that bank on the credit of this document made full refund of such moneys, and the document has, therefore, quite recently been delivered to us for the bank.

The result is a full confirmation of the instructions received by me from the Farmers' Bank and which I communicated to you on the occasion of

I make this further communication to you so that you may be informed of the facts and in the interest of the Farmers' Bank.

GEORGE H. WATSON.

MINISTER OF FINANCE, CANADA,
May 12, 1910.

GEORGE H. WATSON, Esq., K.C.,
20 King Street, East,
Toronto.

DEAR SIR,—I beg to acknowledge receipt of your letter of the 10th instant.

I am obliged to you for the information you have given me concerning the Farmers' Bank.

W. S. FIELDING.

⊕

REPORT OF PROCEEDINGS

IN THE HEARING BY MEMBERS OF THE GOVERNMENT OF THE

FARMERS' DELEGATION

DECEMBER 16, 1910

WITH

CORRESPONDENCE PRELIMINARY TO THE HEARING

PRINTED BY ORDER OF PARLIAMENT

OTTAWA
PRINTED BY C. H. PARMELEE, PRINTER TO THE KING'S MOST EXCELLENT MAJESTY
1911

[No. 113—1911.]

DELEGATION OF FARMERS. 1910.

A delegation organized under the Canadian Council of Agriculture was received by the government on December 16, 1910. The correspondence leading up to this meeting included the following:—

OTTAWA, October 28, 1910.

DEAR SIR,—With reference to the elevator question which I had occasion, whilst in the west, to discuss with the Grain Growers' Associations, the government is now ready to receive a delegation of the grain growers on this matter at any time that may be convenient to them.

I address a similar letter to the Grain Growers' Associations of Saskatchewan and Alberta.

Yours very sincerely,

WILFRID LAURIER.

R. McKENZIE, Esq.,
Secretary, Manitoba Grain Growers' Association,
Brandon, Man.

MANITOBA GRAIN GROWERS' ASSOCIATION.

WINNIPEG, Man., November 30, 1910.

The Rt. Hon. Sir WILFRID LAURIER,
Premier of Canada,
Ottawa.

SIR,—I am in receipt of your favour of the 28th ultimo, stating that the government is now ready to receive a delegation of the grain growers in reference to the terminal elevator question. I have referred your letter to the executive of the Manitoba Grain Growers' Association and have communicated with the officers of the Saskatchewan Grain Growers' Association, and in view of the fact that it was arranged to send a delegation of grain growers to Ottawa in December, to confer with the government on certain other matters, previous to receiving your communication of the 28th ultimo, it was deemed advisable to defer any further consideration of this question until the larger delegation should reach Ottawa, when we will be present to present our views to the government on the terminal elevator question.

Yours very truly,

R. McKENZIE,
Secretary.

OTTAWA, October 28, 1910.

DEAR SIR,—With reference to the elevator question which I had occasion, whilst in the west, to discuss with the Grain Growers' Associations, the government is now ready to receive a delegation of the grain growers on this matter at any time that may be convenient to them.

I address a similar letter to the Grain Growers' Associations of Manitoba and Saskatchewan.

Yours very sincerely,

WILFRID LAURIER.

EDWARD J. FREAM, Esq.,
Secretary, United Farmers of Alberta,
Innisfail, Alta.

UNITED FARMERS OF ALBERTA.,

INNISFAIL, ALBERTA, November 2, 1910.

The Right Honourable Sir WILFRID LAURIER,
Ottawa, Ont.

SIR,—I have yours of the 28th ultimo, inviting a delegation of the United Farmers of Alberta to wait upon the government with reference to the elevator question.

I thank you for your kind invitation, and am taking the matter up with my executive at once, also with the executives of the Manitoba and Saskatchewan Associations; and will write you again in the course of a few days.

I am, sir,

Your obedient servant,

EDWARD J. FREAM,
Secretary.

OTTAWA, October 28, 1910.

DEAR SIR,—With reference to the elevator question which I had occasion, whilst in the west, to discuss with the Grain Growers' Associations, the government is now ready to receive a delegation of the grain growers on this matter at any time that may be convenient to them.

I address a similar letter to the Grain Growers' Associations of Manitoba and Alberta.

Yours very sincerely,

WILFRID LAURIER.

F. W. GREEN, Esq.,
Secretary, Saskatchewan Grain Growers' Association.
P.O. Box 308,
Moosejaw, Sask.

SESSIONAL PAPER No. 113

THE SASKATCHEWAN GRAIN GROWERS' ASSOCIATION,

MOOSEJAW, SASKATCHEWAN, Nov. 4, 1910.

The Rt. Honourable Sir WILFRID LAURIER,
Premier of the Dominion of Canada,
Ottawa, Ont.

HONOURED SIR,—Your kind favour of the 28th ult. to hand, intimating to the Grain Growers' Association of Saskatchewan that your government is now ready to receive a delegation from this Association.

This intimation will be placed before our executive at the earliest possible moment.

Yours very sincerely,

THE SASKATCHEWAN GRAIN GROWERS' ASSOCIATION,
Per FRED. W. GREEN,
Secretary-Treasurer.

THE SASKATCHEWAN GRAIN GROWERS' ASSOCIATION,

MOOSEJAW, SASKATCHEWAN, Dec. 9, 1910.

The Rt. Honourable Sir WILFRID LAURIER,
Premier of the Dominion of Canada,
Ottawa, Ont.

HONOURED SIR,—Referring to your favour of October 28, in which you intimated that your government was ready to receive a delegation from the Grain Growers' Association on the terminal elevator question, I beg to say that owing to the unavoidable absence of several of our most prominent officers through sickness, we have been unable to give any definite answer to your letter until now.

Our executive have now authorized me to state that they will be in Ottawa with the farmers' delegation on the 15th and 16th of December, and if advisable they could meet with your government on a date closely following the public meeting already arranged for the 16th.

Yours very sincerely,

FRED. W. GREEN.

BARRIE RURAL DELIVERY, Sept. 22, 1910.

Rt. Hon. Sir WILFRID LAURIER,
Ottawa.

DEAR SIR,—The organized farmers of Canada are desirous to send a large deputation to wait upon your government in regard to the tariff and other matters. We should like to wait upon you after the meeting of parliament, and before the budget speech is delivered. We wish to hold the annual session of the Dominion Grange immediately before coming to Ottawa. This will necessitate coming on some day towards the end of the week.

Will you favour us with a date which will, if possible, meet these requirements?

Thanking you in anticipation, I remain, sir,

Your obedient servant,

E. C. DRURY,
Secretary, Canadian Council of Agriculture.

OTTAWA, September 29, 1910.

E. C. DRURY,
Barrie, Ont.

With reference to your letter I have been waiting for Minister Finance to come back from his trip to maritime provinces where he has been for some time past to discuss matter therein referred to and fix date of interview which you desire. He was expected to return yesterday but death of Lieutenant Governor Fraser will keep him back for some time. Will send you answer to your letter as soon as I have communicated with him, probably next week.

WILFRID LAURIER.

BARRIE RURAL MAIL, September 29, 1910.

Rt. Hon. Sir WILFRID LAURIER,
Ottawa.

DEAR SIR,—I received to-day your telegram of this date, *re* the date of the farmers' delegation on the tariff. Since writing you before I have had communication with the western men, and they appear to favour a later date,—one after December first. The reason for this is, that they wish to take advantage of the winter excursion rates. Of course the expense of sending a large delegation such a distance is very considerable, and they wish to reduce it as much as possible. At the same time we do not wish to impair the usefulness of the delegation. If the tariff is to be discussed this session we want to be in time to influence the discussion. If then, a date in December is soon enough, we would be glad to have it. If not, the earlier date will suit. We are content to leave the matter in your hands, believing that if you know the circumstances, you will do the best you can for us. There are over forty thousand farmers enrolled in our organizations, and the delegation is likely to be a large one.

Yours very sincerely,

E. C. DRURY.

OTTAWA, 1st October, 1910.

MY DEAR SIR,—I am in receipt of yours of the 29th of September. It is our intention to have the session opened about the middle of November. It was our intention also to have the budget speech immediately, but as Mr. Fielding's health is somewhat impaired at this moment, it may be that this may delay the budget for some time.

As to the date of your delegation coming here, that is a matter which I must leave to your own judgment. If you were to ask me my opinion, I should certainly advise that you should not wait too late.

Believe me,

Yours very sincerely,

WILFRID LAURIER.

E. C. DRURY, Esq.,
Rural Mail,
Barrie, Ont.

SESSIONAL PAPER No. 113

BARRIE, RURAL MAIL, October 3, 1910.

Right Hon. Sir WILFRID LAURIER,
Ottawa.

DEAR SIR,—I am inclosing to you a telegram which I have received, *re* the proposed farmers' delegation to Ottawa, and which explains itself.

It will apparently seriously interfere with the attendance of the Western men, if the date set for the delegation is earlier than will allow them to leave home on or after December 1. In view of this fact I would respectfully beg you to fix on a date later than that if possible. Some time during the early part of December will be best.

The Guelph Fat Stock Show is held on December 5–9, and it would in consequence be well to avoid these dates,—though this is not by any means essential, and could be dropped from consideration for any reason.

Yours respectfully,

E. C. DRURY.

WINNIPEG, MAN., September 29, 1910.

ED. DRURY,
Crown Hill, Ont.,
Via Mail, Barrie, Ont.

Find we cannot make satisfactory transportation arrangements for delegates before December 1. Any date prior to that will seriously interfere with attendance from west. Try and arrange date in early December if possible; writing.

R. McKENZIE.

OTTAWA, October 4, 1910.

MY DEAR SIR,—In answer to yours of yesterday just received, I have only to repeat what I have already written; that it will be our pleasure to receive your delegation any day that will suit the convenience of yourself and friends. The only thing I would ask is that, if the delegation is to come to Ottawa during the session, a Friday would be more convenient to us than any other day in the week.

Yours very sincerely,

WILFRID LAURIER.

E. C. DRURY, Esq.,
Rural Mail,
Barrie, Ont.

BARRIE, RURAL MAIL,
October 27, 1910.

Rt. Hon. Sir WILFRID LAURIER,
Ottawa.

DEAR SIR,—After full discussion, the Executive of the National Council of Agriculture (which has charge of the matter) have decided on Friday, December 16, as the best day for the farmers' delegation to wait on the government on the tariff question, if this date meets with your approval. It was impossible to fix the date earlier, on account of the western men not being able to leave before December 1, and the next week (the first in December) being taken up by the Guelph Fat Stock show. Personally, I should have preferred a much earlier date, but it seems to be impossible.

So far as we see now, there will be about 500 delegates from the west and Ontario. It is the intention to hold a meeting, probably on December 15, somewhere in the city, to formulate demands, and to wait on your government on the 16th. I hope this date may meet with your approval.

It is probable that the delegation will ask for the best reciprocal terms that can be arranged with the United States on agricultural products and agricultural implements, as well as certain things that are commonly used on farms, as cement, drain tile, and a few other articles. A commission, to make thorough inquiry into the working of the tariff, would be asked for, but for the belief that it would be impossible to have such an inquiry before the next general election. It is likely that a substantial increase in the British Preference will be asked for.

Yours very respectfully,

(Sd.) E. C. DRURY.

OTTAWA, October 29, 1910.

DEAR MR. DRURY,—I am in receipt of your favour of the 22nd instant. The date which you fix for the hearing of the delegation, to wit the 16th of December, is quite acceptable.

Yours very sincerely,

WILFRID LAURIER.

E. C. DRURY, Esq.,
Rural Mail, Barrie, Ont.

ST. CATHARINES, Ont., December 15, 1910.

Sir WILFRID LAURIER,
Ottawa.

A large meeting of the Niagara Peninsula Fruit Growers' Association held in this city to-day, following resolution was unanimously adopted:—

Resolved that whereas the United States government have made overtures to this country for reciprocal trade relations, and whereas a large delegation of those interested in products of the soil is now in session at Ottawa with object of petitioning the government for the removal or the substantial lowering of the tariff against United States products, and whereas the tariff of the United States against Canada products is in the aggregate greatly in excess against them, resulting in some cases to the detriment of the Canadian grower, and whereas the present Canadian tariff has on the whole proved satisfactory to the upbuilding of our fruit industries and the same, if continued, will develop them to the advantage of the country as a whole, therefore, it is the opinion of this association that any reciprocal treaty with the United States be given the most serious consideration, and that only done after consultation with the official representative of our fruit industries, and that in regard to each and every other industry they should be consulted and their respective bearings upon each other be fully considered, and that in the final adjustment of any tariff with United States that all possible preference be given to the mother country.

C. E. FISHER,
Secy. Nia. Peninsula Fruit Growers' Assn.

THE DELEGATION AT OTTAWA.

The delegation was received in the House of Commons chambers by the Right Honourable Sir Wilfrid Laurier and the following members of his government: Right Honourable Sir Richard Cartwright, Minister of Trade and Commerce; Hon. William Paterson, Minister of Customs; Hon. Sir Frederick Borden, Minister of Militia and Defence; Hon. Sydney Fisher, Minister of Agriculture; Hon. L. P. Brodeur, Minister of Marine and Fisheries; Hon. Frank Oliver, Minister of the Interior; Hon. Charles Murphy, Secretary of State; and Hon. W. L. Mackenzie King, Minister of Labour.

Mr. D. W. McCuaig, President of the Canadian Council of Agriculture, introduced the delegation. He said:—

Right Honourable Sir Wilfrid Laurier, Prime Minister of Canada, and members of the government, I am here as president of the Canadian Council of Agriculture. We have met on this occasion to present to you and to your government some of our views. We have met as a delegation representing the different provinces of the Dominion of Canada. We have in this organization, the Canadian Council of Agriculture, different farmers' organizations throughout the Dominion of Canada. We have representatives here to-day from New Brunswick, Nova Scotia, Quebec, Ontario, Manitoba, Saskatchewan and Alberta. I think you will agree with me, Sir, that this delegation is something out of the usual line. You have, in the past, no doubt, received many delegations, but I think I am quite safe in saying that this is the first organized delegation you have ever received from the farmers of the Dominion of Canada.

Now, as I have mentioned, we have met to present to you some of the requests we have to make of your government. And, as you look upon these delegates here, I would like to mention that they have come together to-day at great expense and, in many cases, at great inconvenience to themselves. But we feel justified in incurring this expense and undergoing this inconvenience in order to show you, Sir, that we are in earnest in our requests. Seeing that we have but limited time at our disposal to place all these matters before you, it would be out of place for me to take up your time. I have, however, to thank you, Sir, for the opportunity you have afforded organized farmers to meet you in this manner and present their requests to you.

TERMINAL ELEVATORS.

The first matter we wish to call to your attention this morning is that of the terminal elevators that handle our grain from the west. I will read to you a resolution which, after having been adopted and approved by the Canadian Council of Agriculture, was submitted yesterday to a mass meeting of the delegates here present. This is true of all these resolutions, all of which were passed by these delegates without a dissenting voice. We have these resolutions in due order, signed by the President and Secretary of the Canadian Council of Agriculture, which will show you that they are the united voice of the farmers from Nova Scotia to Alberta.

Mr. McCuaig read the first resolution as follows:—

Whereas we are convinced that the terminal elevators, as now operated, are detrimental to the interests of both the producer and consumer, as proved by recent investigation and testimony of important interested bodies:

We therefore request that the Dominion Government acquire and operate as a public utility under an Independent Commission, the terminal elevators at Fort William and Port Arthur, and immediately establish similar terminal facilities and conditions at the Pacific coast and provide same at Hudson bay when necessary; also, such transfer and other elevators necessary to safeguard the quality of export grain.

CANADIAN COUNCIL OF AGRICULTURE,

D. W. McCuaig, *Pres.*
E. C. Drury, *Secretary.*

I will call upon Mr. Peter Wright, of Roland, Man., Director of the Manitoba Grain Growers' Association, a member of the executive committee of that association, and a member of the Canadian Council of Agriculture.

Mr. Peter Wright read the following paper:—

To the Right Honourable Sir Wilfrid Laurier, Prime Minister of Canada; the Members of the Government, and the Members of the House of Commons:

The matter with which I have been entrusted in behalf of the farmers of the west, is that pertaining to the terminal elevators. We have already submitted this matter to the honourable the Premier, and some other members of the government who accompanied the Premier when on his western tour during the past summer, and we would not insult these gentlemen by inferring that they do not understand all about the matter, or that they are not convinced that the request of the western farmers with respect to the terminal elevators is only right and just, but we are aware to secure the legislation we believe to be necessary, the majority of this House must be convinced of the justice of our request, and that is the reason why we are here to-day; so we hope, Sir, that you, and those who are familiar with this matter, will bear with us while we present some statements and arguments bearing on the terminal elevator situation.

The principal marketable production of the western farmer is wheat, and the quality of our climate and soil is such that we have acquired the reputation of producing the finest wheat in the world, and in such vast and ever increasing quantities, that western Canada has been called 'The Granary of the British Empire.'

In its progress to the markets of the world, all western wheat must pass through the terminal elevators at Fort William or Port Arthur. Considerable mystery and secrecy has always surrounded the terminal elevators and their operation, but the farmers of the west have been for a long time convinced that their grain in passing through these elevators, has been subjected to a system of manipulation and exploitation, which, while tending to augment the profits of the elevator companies, has had the effect of depreciating very largely the value, the price, and the reputation of our wheat.

As we wish to be absolutely fair in our statements, we would say, that the C.P.R terminals have never been charged with indulging in this manipulation, and there may be other exceptions, but the exception strongly confirms our conviction, as the eastern millers tell us that wheat obtained through the C.P.R. terminals is worth considerably more for milling purposes than that of the same grade obtained through privately owned or operated houses.

The grain trade is regulated by the Manitoba Grain Act, and the Grain Inspection Act. These Acts provide that 'all grain passing through Winnipeg inspection district to points east thereof, shall be graded according to quality.' It is further provided that 'all grain shipped for eastern points from any public elevator within the division shall be shipped only as graded into such elevators by the inspecting officer.' All grain

of the same grade shall be kept together, and stored only with grain of a similar grade; and even a selection of the different qualities of the same grade is prohibited. 'If grain of different grades is loaded together in the same compartment of a vessel, a certificate of such mixed cargo shall be issued with a statement of the quantities of each grade entering into the composition of such mixed cargo.' And 'the certificate of inspection given by inspecting officers, shall in all cases accompany the grain to its destination.'

But, notwithstanding these regulations, and the fact also that the terminal elevators are under the supervision of a large body of government officials, we believe that the owners and operators of these elevators find means and opportunities to manipulate our grain to their advantage, and to our disadvantage. In support of this belief, we have the evidence already quoted that grain procured through the Canadian Pacific Railway terminals is of higher milling quality than that obtained through some others. But the most convincing evidence is that afforded by the investigation made by the officials of this government during last winter, which resulted in three terminal elevator companies being convicted of having made false returns regarding the amounts of wheat contained in the different grades, and their being fined to the amount of $5,500. According to the report of Mr. Castle, Warehouse Commissioner, of this investigation, the overplus of 1 Northern wheat over the amount received of that grade by two elevators, amounted to 1,035,786 bushels, while the shortage in 2 Northern wheat, 3 Northern, and No. 4 amounted to 832,806 bushels, leaving nearly 203,000 bushels of No. 1 Northern still unaccounted for, and to which I will refer later. A computation based on these figures, and on the prices of the different grades of wheat, on a certain date, and the spread between these prices shows that the profits of these two elevator companies were increased by this manipulation to the extent of $35,000. And in this connection, we would respectively submit that the punishment imposed is altogether inadequate to the enormity of the offence, and not likely to prove a deterrent from a continuance of these practices when after deducting the amount of the fines, they still have a profit in the neighbourhood of $30,000, and that for a period of only about three months' operation. In connection with this I may say that since leaving home we have learned that information has been laid against another elevator company along these lines.

But there is another aspect to this matter, which is a good deal more serious than any illegitimate profits made, and which has a far-reaching effect. The government inspector is supposed to grade our wheat according to the amount of gluten and other ingredients it contains, which is required to make the best flour, and the value of our different grades of wheat is based on the presence or otherwise of these ingredients, or, as it is commonly spoken of, 'The value of our wheat depends on its milling qualities,' but it depends on its qualities not as it is inspected at Winnipeg, but on its qualities as it is placed on the British, or the ultimate market wherever they may be. And, if, as has been proved, each grade of our wheat is brought down to the lowest point by the mixing of wheat from lower grades, (and we believe it is often brought below it, that is, it is allowed to pass out of the terminal elevators with the minimum point of each grade lower than it would be allowed to pass the inspector at Winnipeg), if this is so, it will be readily understood that the value and the reputation of our wheat on the British market is re-graded also, and as the British miller can only afford to pay for wheat according to its milling value, the price is reduced, and being reported back to us, becomes the basis of our market here, and we have to accept a price based on the lowest point of each grade, instead of on the average as it should be, which means a difference of about two cents per bushel.

But we have reason to believe that the manipulation of grades is only one of the means used by these elevator companies to swell their revenue, and by which our wheat is degraded in value and reputation. The 'Grain Act' provides that all grain passing through the terminal elevator, shall be cleaned. The amount of dockage is

set by the inspector, and the percentage named by him, is deducted from each car; and as the grade very often depends upon the amount of dockage, it is very important if justice is to be done, that the inspector's instructions in this respect should be strictly carried out. Now, we have reason to believe that much of the wheat passing through the terminals is not cleaned to grade. No doubt, there are large quantities of screenings cleaned out, and we know that large profits are derived from this source. We notice in the public papers recently that shipments of these screenings had been made to points in the United States, and we know also that large flocks of sheep have been fed from screenings taken from our wheat; but, besides this, we believe that when the dockage imposed by the inspector is not too heavy, it is allowed to go through as they receive it. It is generally understood that when the dockage does not exceed one per cent, or in some cases 2 per cent, there is enough clean wheat to absorb that amount without being noticed, but for every 60 lbs. of screenings allowed to pass through in this way, the elevator companies get paid for a bushel of wheat. They get paid for the dockage which the farmer loses, and has to pay freight on to the terminals, and in consequence the British miller has to pay for these screenings at the price of wheat, and in this way the value and reputation of our wheat is still further degraded. And, I believe that the fact that a portion of the screenings is in this way allowed to figure as wheat, will to some extent account for the discrepancy between the overplus in No 1 Northern and the shortage in the lower grades, as per Mr. Castle's report already refrered to.

We have been led to believe that western Canada produced the best wheat in the world, and we have been very proud of our reputation in this respect. But we have noticed during the last two years that at certain periods there were other wheats which have commanded higher prices on the Liverpool market, and we believe this may be largely accounted for by the degrading of our wheat in the terminal elevators to the minimum point, and the retention in it of dockage, as I have described.

But there is still another breach of trust of which we believe these elevator companies are guilty. It seems that they are in the habit of loaning quantities of our wheat which has been entrusted to their care, to shippers to make out their cargoes. One of the companies involved in the investigation already mentioned, pleaded guilty to this charge in trying to account for the discrepancy in the lower grades of wheat. Now we believe that this is a violation of both the letter and the spirit of the 'Grain Act.' Farmers are sometimes compelled by circumstances to ship grain, when they would rather hold it. Some of us have not granary room, or we have to haul it out when roads are good, or weather suitable. Having shipped from our local shipping point, we sometimes discover that prices have dropped below what we care to sell at, and we decide to hold till a rise in price. Well, we may think we are holding it, and we are being charged storage for it, and possibly we may get a rise in prices, but all the while, our wheat may be helping to flood the old country markets, and defeating the purpose for which we wished to hold it.

The Grain Growers Associations of the west have for over three years been trying to convince this government of the necessity of some change in the method of operating these elevators, so as to remove the evils which exist in that connection, but up to the present time you have only responded by granting increased supervision and inspection; and while we give you credit for being sincere in your efforts to better conditions, we believe, and we say this without any reflection on any officials of the government, that no amount of supervision or inspection can effectually prevent manipulation in our terminals, so long as they are owned and operated by private interests which can be benefited thereby. We believe that nothing short of government ownership and operation will put a stop to these malpractices, and ensure to us that justice and straight dealing which will lift our terminal elevators from the position of distrust and suspicion which they have occupied, and restore in them a feeling of trust and confidence in the minds of the western farmers.

We would, therefore, recommend that the Dominion Government take steps to acquire and operate the terminal elevators as a public utility. And, we would further recommend that they be placed in charge of a commission of capable and reliable men, who shall be independent of government control; governed by statute rather than by any minister of the government; answerable to a majority of the parliament, and so incorporated that they shall be capable of sueing and being sued. Now it is not from lack of confidence in the present government that we ask for these provisions, but to safeguard our terminal elevator system, and the interests of all parties concerned for all time, against any government, or member of a government, who might desire to use this system for their own or party ends and interests; and specially to safeguard against the system being injured or discredited by misconstructions and imputations made against the motives and actions of the government in power by the opposition, whichever party may be in power, and whichever party may be in opposition, human nature being what it is, these misconstructions and imputations will be made wherever there is the smallest visible motive for wrongdoing, even if no wrong is done, and will always gain more or less credence.

Farmers are not alone in making these requests. Eastern millers are not satisfied with conditions as they are, and would welcome the change. A large number of commission men, independent grain dealers, and exporters of Winnipeg, Toronto and Montreal, have also made the same request; indeed, all parties concerned, with the exception of the owners and operators of these elevators, join with us in making this recommendation.

In asking the government to take over and operate the terminal elevators, we do not consider that we are seeking a favour of any sort; we only want a square deal.

The 'Inspection Act,' in so far as it applies to the farmer, has been rigidly enforced, and we make no complaint in that respect; but however good the intentions of the government and its officials have been, they have failed to enforce the law in protection of his interests in the terminal elevators.

We do not expect that these elevators under the system we suggest shall become chargeable to the consolidated revenue of the Dominion. Our wheat has always had to pay its way, and as we believe, and have tried to show, has paid a considerable amount of undue toll, and we are willing that it should continue to pay its way, that a sufficient charge should be made to pay for the operation of the elevators, and to pay off the purchase price within a reasonable time. We are of the opinion that the charges in the elevators at the lake front are too high at the present time, being considerably higher than those of elevators on the other side of the lakes. But we would not ask for a reduction until sufficient time has elapsed to show by practical experience what charge is necessary to cover all expenses.

We understand that at the present time there is a large staff of government officials employed in supervising the operation of the elevators, who, if our recommendation was adopted, could be employed in the actual operation, and a considerable saving would be effected by thus avoiding the duplication of employees.

It has been suggested that a change in our laws to make our terminal elevators conform to those at Duluth would meet all the objections that have been made, to the manner in which they are operated at present. The only difference between our terminal elevators and those operated under the Minnesota laws, is that under the Minnesota laws private elevators are allowed to operate and that special binning is permitted in the state elevators. Such a condition of affairs in our terminals would accentuate rather than alleviate the conditions that exist. The president of the North Dakota State Union of the Society of Equity, one of the largest farmers' organizations in the grain producing states, says of the Minnesota terminals, 'Our system of terminals is simply owned and controlled by the interests and we have nothing to say in the matter. To give you a little idea as to the loss sustained. I might say that we are shipping our grain with foul seeds and mixed grains, because facilities are not at hand for separating same, to the terminals and

pay the freight on all the foul seeds or oats or flax that may be in the wheat and then we give them all but that grain in the name of which it is shipped.' Again he says, 'They buy our hard wheat at from No. 1 to No. 4, mix same with the wheat from the Southern or Eastern States, which is much inferior to ours, and after it is mixed the records show that they ship out more No. 1 than they took in.' It is quite evident that a change to this condition would not improve matters for us.

All we have said in regard to the elevators at Fort William and Port Arthur, applies equally to elevators that must be constructed in the near future at Hudson's Bay and particularly at Pacific coast terminals. The reasons are even more urgent in respect to Pacific coast than have been advanced for acquiring those at Fort William and Port Arthur. The reasonable and logical way for the grain produced in Alberta and even in the western portion of Saskatchewan to find its market is via what has been termed the 'Western route.' The western development that is bound to take place in British Columbia in the next decade, assures us that a very large portion of the farm products of Alberta will find a market in this province. The completion of the Panama Canal and also the erection of proper facilities on the Tehuantepec railway which is bound to come, means that a great deal of our Western Canada grain will find its European market via the Pacific coast. The Pacific coast has open ports all the year. There is good reason for believing that an effort is being made at the present time to create terminal elevator companies at Vancouver which promises even worse conditions than exist at Port Arthur today. It is the imperative duty of the government to prevent this by taking immediate steps to provide the necessary facilities for the handling of grain at the Pacific coast in such a way that the smallest dealer and the largest elevator owner are upon an equality in the advantages they can secure from it. There is no reason whatever for permitting a condition of things to grow up in Vancouver that will be worse in effect than what we have been complaining of in the eastern route to our markets.

Western Canada has been contributing largely to the needs of the world in supplying it with the 'staff of life,' and in that way has been adding materially to the wealth and prosperity of Canada, but while the west produces great wealth in the shape of food products, it has as yet very few manufacturing industries, and we look principally to the east for our supply of manufactured articles. So that, whatever you can do to secure the western farmer a square deal, increases his purchasing power, and will benefit and increase the prosperity of the east as well as the west.

We hope we will have shown sufficient cause why this government should accede to the request of the Western Grain Growers' Associations, and we respectfully urge that during the present session of parliament, a measure of legislation be passed providing that the Terminal Elevators be acquired and operated by the Dominion government under an independent commission.

Mr. McCuaig.—The next gentleman I will call upon is Mr. F. W. Green, secretary of the Saskatchewan Grain Growers' Association, and a member of the Canadian Council of Agriculture.

Mr. F. W. Green read the following paper:—

To the Right Honourable Sir Wilfrid Laurier, Prime Minister of Canada, the Members of the Government, and the Members of the House of Commons:

In speaking to the resolution let me say that the part of this delegation that I have the honour to represent is known as the Saskatchewan Grain Growers' Association. This association was organized on January 2, 1901, Honourable W. R. Motherwell, now Minister of Agriculture for Saskatchewan, occupied the chair. The then Deputy Minister of Agriculture, Mr. C. W. Peterson, also took an active part, and in an address to the farmers said:—

'Combination is the watchword of the day. The various corporations against which the grain growers were pitted had the most complete organization in the world, and before farmers could make any headway they would have to follow the example of their rivals and present their claims as an organized body.'

Senator Perley, R. S. Lake and Hon. Walter Scott were also prominent actors at the early meetings of this association. The constitution provided that its objects should be:

(*a*) To forward the interest of the grain growers in every honourable and legitimate way.

(*b*) To watch legislation relating to the grain growers' interests, particularly that affecting the marketing, grading and transportation of grain.

(*c*) To suggest to parliament from time to time as is found necessary, through duly appointed delegates, the passing of any new legislation to meet changing conditions and requirements.

It will thus be seen, gentlemen, that this delegation is right in line with the objects for which the association was formed.

The Saskatchewan Association at the present time numbers 10,000 members in good standing, working in some 300 local associations in almost every part of the province, with almost an equal number in each of the other western provinces where the various questions brought forward have been discussed freely during the ten years of the association's existence. The terminal elevator question is only one of the many phases in the grain trade, which is very difficult for the ordinary farmer to thoroughly understand.

We have the terminal elevators system with all its uncertainty of weight and grade, and the various tricks resorted to regarding car distribution, special binning and shipping; then we have the grain exchanges with the gambling, price-fixing, problem hedging, future selling, puts and calls, shorts and longs, with the bulls and bears. Then the difference of prices between Minneapolis and Winnipeg, ranging from 10 to 15 cents per bushel for an inferior sample of wheat. This, with their system of grading and sampling, all forming part of a complex system more or less mysterious to our farmers, causing a serious state of suspicion and unrest which is an evil in itself, but none of these are responsible for more distrust and want of confidence than the inspection system in connection with our terminal elevators.

All these being inseparable, each affected by the other, and, as we think, vitally affecting the quality and price of every bushel of grain in the west. Our views, right or wrong, are the cause of our agitation and action.

Doubtless the government has already in their possession much more convincing arguments than we can offer in support of the resolution, as the Warehouse Commissioners' report will likely contain information and data impossible for us at this time to present. We can only say this 'that nothing now can possibly allay our fears but the complete removal of all parties having a special interest in the grain in the public bins of the nation from their operation and control.' Then, I said: 'Public bins of the nation.' This is what we think these terminal elevators become when the government admits the grain into these bins and gives the farmer a receipt and guarantees to deliver it to his customer under a certificate of grade, and any system which gives to a self-interested party the opportunity for tampering with this grain after once passing into the hands of the government as we believe the present one does, cannot longer be tolerated by us.

As our grain passes Winnipeg it is inspected and ordered to be cleaned to a certain specified standard or ideal, foreign matter considered useless for the purposes for which the different grades are intended are ordered to be extracted, the farmer being docked for it pays freight, and delivers it to the terminal elevators absolutely free. If by any means these grades inspected leaving the terminals contain one per cent of the dirt previously ordered to be taken out some one is 1,000,000 bushels in weight ahead; if two per cent is left in they are 2,000,000 bushels ahead. If the grain is worth one dollar per bushel it is a prize worth striving for.

There are some 100,000,000 bushels per annum delivered thus to the terminal elevators at Fort William and Port Arthur, having a dockage varying from nothing to twenty-five per cent.

The English buyer receiving this grain will pay just what it is worth to him as he receives it. Buying by certificate, his price is based upon previous experience and receipts under the same class of document. If the commodity contains two per cent of dirt on a base price of $1 per bushel of clean grain he says: 'There is two per cent of dirt in this. It is only worth 98 cents to me. It will cost me one cent per bushel to extract it and fit it for my rolls, so it is only worth to me 97 cents.' This becomes the base price of Canadian wheat which becomes the price for the whole of western Canada and is 3 cents per bushel lower than it would be if the grain reached England in accordance with the ideal on which it was inspected when taken from the farmer by the government, or $3,000,000 on the total; $2,000,000 of this loss goes into the pockets of the terminal elevator men, the balance to pay for the extraction of the dirt in England, and for which the Canadian farmer has already paid the terminal elevator men at Fort William and Port Arthur. The terminal elevator men does not stop here, however, as there is a spread of about 3 cents between the grades. As he receives it, he has the opportunity if so inclined, to secure to himself the difference between the average value of the grade and the minimum quality admitted into it. Supposing No. 1 to be composed of all wheat valued at 97 cents to $1, the average value would therefore be 98½ cents. If 97-cent wheat is legally admitted into that grade going into the public bins the elevator man assumes that it may be legally delivered out of the bins; if perchance he can get it out and get it accepted as satisfactory, all being 97-cent wheat which is a perfectly legitimate grade according to the standard established by the Grain Act and which the British buyer could be compelled to take on certificate under which authority the grain was placed in the public bins; consequently perfectly legal and up to the contract called for by the inspection certificate. If the elevator man can accomplish this he is a further 1½ cent per bushel ahead, or $1,500,000 on the total output by this trimming from the average to the minimum quality allowed in the grade. The English buyer bases his price on the quality received under the inspection certification and gives exactly what it is worth to him, being a cent and a half per bushel less than it would be if it went forward fully up to the average. This, added to the previously mentioned 3 cents per bushel, makes a total of 4½ cents per bushel reduction in the value of the grain. It may be objected that this would not be an average grade—no, but a perfectly legal one, and the chief inspector in sending forward his standard sample to England would not be likely to send one higher than any grain that could be called a legal tender under the specified contract in the Grain Act; in fact, he has said he does not.

Our contention therefore is that this opportunity and possibility exists, not only for the deterioration of the intrinsic value of our grade but for the retention of considerable foreign matter making a difference between the ideal of inspection as delivered to the terminals and the actual condition it is in when it reaches the British miller, amounting to the 4½ cents per bushel as previously stated, and vitally affects the price of every bushel of grain sold in the west.

The question naturally arises, if this opportunity is offered by our system, will the elevator operators really take advantage of it? Do they really do it? Are they so much inherently better than other men that they are above such things? In evidence taken before the Saskatchewan Elevator Commission this summer, the managers of different institutions declared that they would, and averred that they would be very foolish if they did not.

A Mr. Williams, of the Winnipeg Elevator Company, said to us that a dealer would certainly take advantage of a farmer if he could, but he could not do it he said, as the farmer was too wideawake for him; but the farmer believes quite differently regarding the latter part of the statement, the farmer being perfectly helpless in this matter.

In the United States there are now very many more private terminal elevators than there are public terminal elevators. This is true of Minneapolis, Chicago and Kansas City, where they have sample markets established, and the trade of mixing, trimming and skinning is worked into a regular science. This summer while interviewing several managers of these large firms, they told us of the skill and perfection attained by their men in mixing grain at these private terminals and the money they made at it. The corporations having control of some of the largest of these mixing plants in the United States now control and operate mostly all the terminal elevators and facilities at Fort William and Port Arthur, possessing the most thorough understanding of the mixing art.

The opportunity to carry on the business is there and they say they will do it if permitted. They have been fined heavily already for doing so and they doubtless have done thousands of things they were not fined for. The fine was not returned to the people they robbed, neither was the fine at all commensurate with the plunderings carried on.

Mr. Horn has declared as well as Mr. Castle, that the grain trade of western Canada is now in the hands of large American operators, the inspection department at Fort William also declared that they were unable to cope with these men and that inspection does not inspect, that there seems little use in setting a sixty-five dollar per month inspector to watch a one-hundred and twenty-five dollar a month manipulator. Will they take advantage of such an open door?

There is another source of creaming going on after inspection, while not done in the terminals it vitally affects the output. I refer to our western milling industry. The manager of one of these large concerns in evidence to the Saskatchewan Elevator Commission indicated that they took care to place their elevators at points where wheat of the highest milling value was produced. Besides this they would buy large blocks of wheat from commission men and small elevator companies which would be billed to their mills. Their expert would then open a car, make selections of the best for their purposes and send the rest forward to the terminals. This was not done from a sample but the expert had the whole car before him and the graphic words of the witness were: 'He would be a jack if he did not keep the best.' We do not dispute this with him. Our point is the opportunity is there and they will take advantage of whatever opportunity offers. This certainly gives them an advantage of from one to two cents per bushel, the farmer being robbed of it, and the total output from the public bins deteriorated to that extent. Will they take advantage of such an open door?

Hon. G. H. V. Bulyea, speaking in the first annual meeting of this association in 1902, said: 'At Regina recently, grain dealers were paying fifty cents per bushel for wheat worth 75¼ cents at Fort William.' The freight rate with elevator charges amounted to 11½ cents, therefore the wheat should be worth at Regina 63¾ cents, leaving 13¾ cents for the dealer, which the honourable gentleman said 'was simply robbing the farmers.' Evidently at that time they would if they could, and they did.

About this time at a meeting in which Hon. R. S. Lake and Senator Perley were present, the Hon. Walter Scott was called upon to speak, and said in part that 'he had reviewed the grain situation in parliament last year and had pointed out how farmers in the west had suffered from undue discrimination on the part of grain dealers. These men,' he said, 'had made flat denials, but he would be thoroughly prepared for them this year.' He further said that the base of the trouble he thought was in the transportation and resolutions could not be made too strong, in fact they should be dipped in vitriol. If these words had any justification at that time, what significance has this demonstration for this parliament who have been so repeatedly appealed to on this inspection and permanent elevator question. Resolutions have been passed and representations made to the Dominion government at every recurring annual meeting of this association, culminating in this monster demonstration. The Legislature of Saskatchewan on December 14, 1909, passed the following resolution:—

Whereas this House is of the opinion that under existing conditions both interior and terminal elevators being private and identical interests operate to the disadvantage of the grain growers of Saskatchewan;

Therefore be it resolved that in the opinion of this House the government of Canada should own and operate the terminal elevators.

In 1903, Hon. Clifford Sifton speaking to the grain dealers in Winnipeg ,said:—

Farmers are entitled to as much consideration as grain dealers. When a producer comes to parliament and says: I have produced a commodity and I object to it passing through the hands of a set of middlemen who take from it an undue toll; I say to you, and I say plainly, that no parliament in Canada can afford to disregard such a protest.'

Hon. members of this House, to-day the producers are here at the parliament of Canada making that statement in the strongest possible way they know how, and we commend to you the wisdom of the hon. gentleman's remarks: 'No parliament can afford to disregard such a protest.'

This delegation is tired of this manipulation, they want it stopped, and stopped without further delay. We are told it is a herculean task, that it will be opposed by all the wealth and influence of the powerful corporations interested. We do not deny it, we expect it.

What can this parliament do for this delegation? What can this delegation do for this parliament?

Some four years ago a delegation of ours was interviewing Sir Richard Cartwright on this matter and that hon. gentleman informed them that though it was a big problem he would sooner spend a few millions on this matter than in the purchase of battleships and fortifications.

Gentlemen, this delegation is thoroughly loyal to our country and empire, and we do not wish to lose or weaken in any particular our proud position on the seas, but we earnestly desire to be protected from positive pillaging invaders on the land before we sail out in ironclads to catch possible plunderers on far distant seas.

Let me in closing refer to the vast aggregate wealth represented by this delegation, each member of the western part of it we estimate has a half section of land valued with its equipment at at least $10,000. There are 30,000 in our western organizations which means an investment of 300,000,000 dollars, if as our friendly rivals declare, we are only 25 per cent of the western farmers, we would represent the enormous aggregate of 1,200,000,000 dollars, and we think we may fairly claim to be the articulate mouthpiece of the whole.

Now, we think conditions should be so that this capital invested should earn interest as well as the capital invested in other industries which under present conditions is, we think, impossible.

We have heard the resolutions read and discussed which are to be presented here regarding the Hudson Bay Railway, the Railway Act, the Tariff and Chilled Meat industry, and with all of which we concur.

If these recommendations are adopted and put into practice we believe that a step will have been taken towards bringing about that happy time when the agricultural industry will be more remunerative; that the business of farming will be more attractive, and the unnatural drain from the rural communities towards the cities will be stopped and rural life become a little leaven to leaven the whole lump of the Canadian nation which we believe must lead the world in the solution of Twentieth Century problems.

Mr. Thomas Chisholm, M.P., (East Huron).—I desire to ask Mr. Green if he can give us some documentary evidence and samples of grain to show us differences in prices between the United States and Canada and also difference in standard. Of course, as members of parliament, we require to have evidence, something that will be indisputable. I am very much pleased with the stand he takes and would like it proved.

Mr. GREEN.—The Prime Ministeh has notified our executive to discuss with him this terminal elevator question, and we will be able to present data, I think, to prove every statement that was made so that it will be irrefutable.

Mr. MCCUAIG.—The next I will call on is Mr. W. J. Tregillus, vice-president of the United Farmers of Alberta, and a member of the Canadian Council of Agriculture.

Mr. TREGILLUS read the following paper:

To the Right Honourable Sir Wilfrid Laurier, Prime Minister of Canada; the Members of the Government, and the Members of the House of Commons.

In presenting a third report on the elevator question it is not our intention to go into the matter deeply, believing the arguments which have been presented by the other members of this Council are irrefutable; we desire, however, to lay further, especial emphasis on the great need for terminal facilities being provided at the Pacific coast, which will allow the Alberta farmers to get their grain to the world's markets by the cheapest possible route.

Situated as Alberta is, such a great distance from lake ports, our grain growers have been seriously handicapped, since entering the business, by the heavy hauling charges entailed in getting their products to the water front, and if our rich soils had been less productive, they would have been unable to make a living from growing grain.

Unfortunately much of our land has been under cultivation for several years and is therefore losing some of its virgin fertility, so that we cannot count on the large average yields in the future, to which we have been accustomed in the past, considering this fact, and also that the factor determining the freight charges, is the length of the haul, *is it to be* wondered at, that we have been casting longing eyes upon the year-open ports of the Pacific Coast?

In spite of the fact that there are no facilities on the Pacific Coast for economically handling grain, much of Alberta's surplus is already going in that direction; with terminal facilities, not only would Alberta's grain, but a large proportion from Western Saskatchewan also would go that way.

We have in Alberta assisted for years in the fight for government ownership of all terminal facilities, because the abuses as practised by the terminal operators have affected us as deeply as those producing grain to the east of us.

It was in 1906 when the first demand was made for terminal facilities at the Pacific coast, and this demand culminated in a deputation waiting on your government in April, 1909, asking for terminal accommodation there.

This deputation was given to understand that if the officers of your government, connected with the grain trade, were convinced that such was necessary, the matter would be taken into consideration.

Since that time events have transpired and evidence has been acquired by your officers which shows that there is no possibility of the grain trade being placed upon a stable foundation unless all terminal facilities are owned and operated by the government as a public utility.

Having further regard to the western terminals, we would point out that at the present time there are no obstacles in the way of government ownership; the path is perfectly clear for immediate action of the government, and the farmers of western Canada are anxiously waiting for these facilities to be provided.

It is true that private interests and interests connected with the grain trade are willing to launch upon this business; in fact it is understood that terminal sites are being procured by some of them; if the government acts promptly in this matter, there will be no need for purchasing vested interests from any company upon the Pacific coast, and for this reason, we wish to especially press this matter upon your attention at this time.

A further reason for the establishment of terminals at the Pacific coast is that because of the *lack* of these, there is now no market for certain grades of grain, and frequently cars of grain consigned to the coast are found—on inspection at Calgary—to be unsuitable for that market, and have to be re-billed to Fort William or Port Arthur, and owing, to the fact that Calgary not being an order point, the railway company are enabled to make extra charges, adding considerable expense to the shipper.

We trust we have made it quite clear to you that the question of terminal elevators is one of greatest moment to the farmers of western Canada, the solving of which would mean a great deal to them. We are absolutely unanimous on this question, and believe the only remedy is government ownership, and we sincerely trust that you can give us the definite announcement that your government will immediately introduce legislation for the government ownership of all terminal elevators.

Mr. McCuaig.—I am now going to call on Mr. D. B. Wood, of Hamilton, president of the Dominion Millers' Association.

Mr. D. B. Wood.—Sir Wilfrid Laurier and Gentlemen, before proceeding with the remarks laid out for me to make, I desire to congratulate the members of the Grain Growers' Association on the able, the reasonable, the logical presentation that has been made of this case up to the present time. I desire also, on behalf of the Dominion Millers Association, Sir Wilfrid Laurier, to express our appreciation of the fact that you have given us an opportunity to come here and present our views on this very important matter. Our views are something as follows:—

Proceeding, Mr. Wood read the following paper:—

The Right Hon. Sir Wilfrid Laurier, Prime Minister of Canada:

As president of the Dominion Millers' Association and making the representations I do to you to-day in support of the resolution presented by Mr. McCuaig for the Grain Growers, they represent not only all the millers in Ontario and Quebec east of the great lakes, excepting perhaps the Ogilvie Milling Company and the Quaker Oats Company who have their own terminals at Fort William, but also the consumers of Manitoba grain abroad as their interests are indentical with ours.

On September 1 last at our regular meeting, the following resolution was carried without a dissenting voice, a copy of which I now present to you:—

> 'Whereas the finding of the three terminal elevator companies at Fort William and Port Arthur last spring for mixing and otherwise handling grain contrary to the law shows that it is impossible as long as these elevators are operated by private interests to prevent these and similar nefarious practices, notwithstanding the most stringent regulations and every effort being made on enforce them;
>
> 'Therefore, be it resolved, that the Dominion Millers' Association in annual meeting assembled, respectfully request and urge the Dominion Government without further delay to acquire and operate the terminal elevators at Fort William and Port Arthur as the only means of placing all shippers through these public terminals on a fair and equal basis, and prevent a large portion of the business of the Ontario mills and the grain export business of western Canada from being destroyed for the benefit of a few private corporations operating the public terminal elevators at Fort William and Port Arthur.'

We have over 300 mills scattered throughout Ontario east of the great lakes with a capacity to manufacture over 42,000 barrels of flour per day, all of which must have Manitoba wheat. The business of these mills, both local and export, is suffering from the flagrant and wilful violations of the law of which the Terminal Elevator Companies at Fort William and Port Arthur have been proved guilty. It is true

three of them have been fined $5,500, but as they could easily make eight or ten times that amount in manipulating the grain, as they did according to Commissioner Castle's report, a fine of this sort will not likely discourage them. We may note here that advices from Winnipeg this week state that Commissioner Castle has entered an action against another of the terminal elevator companies.

Every interest connected with the grain trade, the farmers, the dealers, the millers and the exporters, have asked the government to take over and operate these elevators. Why should all these interests with millions of dollars invested in their various businesses be milched for the benefit of a few selfish corporations who defy the law and destroy the public confidence in the grades of Manitoba wheat both at home and abroad as inspected by the Dominion inspector?

The proposition which we bring before you is a unique one. The Dominion government is asked year by year to vote millions of money for projects, worthy as they may be, from which they receive no direct return, such as bonuses to railways, &c. But in this case we are asking the government to spend eight or ten million dollars in purchasing property which will to-day not only pay interest and sinking fund, but good dividends as well, with a steady increase in revenue year by year resulting from the ever-increasing crops.

That the business is a profitable one is shown by the additional elevator capacity erected there of over 2,258,000 bushels in the last year or two, or, including the terminals of the Grand Trunk Pacific, over 6,000,000 bushels, so that now the total capacity is over 26,000,000 bushels, whereas the largest amount ever stored in these elevators at one time was under 14,000,000 bushels in April last. This goes to show that this large additional capacity erected during the last year or two is not because it is needed, but because the business is an exceedingly profitable one. We have direct evidence on this point, as when an application is made by the Grain Growers' Association and our association to the Board of Railway Commissioners for a reduction in the elevator charges at Fort William, because the Canadian Pacific Railway were charging over 12 cents a bushel a year for elevating and storing grain, including insurance, at Fort William as against about one-quarter of this sum at their elevators at Owen Sound, the Canadian Northern swore that after providing for depreciating, renewals, repairs and running expenses, that their profits arising from the elevator charges were not more than 8 per cent on the amount which they had invested in the elevators and terminals connected therewith. The Canadian Pacific Railway swore that their profits were only 4 per cent under the same circumstances, owing, no doubt, to several of their houses being out of date, and also owing to the grain being diverted to the privately-operated houses where the mixing and manipulation of the grain could be carried on.

This being the case, we hope to hear from Sir Wilfrid before we leave to-day that he and his colleagues have decided that they will no longer allow these three corporations to prey on every interest connected with the grain trade of our great Northwest, but that they will accede to the request made in the past and reiterated here again to-day by all these interests to take over and operate these elevators forthwith, and thus place, as it were, the key-stone on the efforts which they have been putting forth year to year to assist and protect the agricultural and allied interests of this great country of ours.

Mr. McCuaig.—The next gentleman I will call on is Mr. George E. Goldie, speaking for the Ontario millers.

Mr. George E. Goldie read the following paper:—

As representing with Mr. Wood, the Dominion Millers' Association, I wish to support the resolution presented by the Grain Growers.

All the milling interests of the Association as well as my own are located here in Ontario, and having no western elevators we have to buy all our grain at Fort

William, and in order to maintain the high quality of our products and meet the keen competition of the great mills west of the lakes, it is absolutely necessary that we should secure our grain of the same high standard as it is sold by the producers in the west and by it at its legitimate value. With grain dealers operating the terminal elevators at Fort William and Fort Arthur we find not only is the quality of the grain as shipped out of the elevators, unsatisfactory, but we find that owing to the terminal elevator companies buying up the cash grain to earn for their houses, the heavy storage charges now imposed that we have to pay more for the cash grain than it is worth, generally half a cent per bushel or more, when we go to load our boats. Some may say that this advance in price is a good thing for the farmer, but as a matter of fact the farmer receives no benefit from it as it is only the spot wheat in Fort William that is available to load the boats within a day or two that the price is advanced on.

Wheat which has only reached Winnipeg frequently carries no premium and the farmers wheat coming forward from the country or in the country elevators is sold on a basis of about the current option. To illustrate, take the price of 1 Northern. On November 26, spot price 92⅞, country price, 92½; 3 Northern spot, 87¼; country, 86½; November 30, 1 Northern, spot 90¼; country, 90; 3 Northern spot, 84¾; country, 83¾. Evidently there was December 3rd, 1 Northern spot, 92; country, 91; 3 Northern spot, 86½, country, 85. December 6, 1 Northern spot, 91⅝, country, 91¼; 3 Northern spot, 86⅛, country, 85¼. December 9th, 1 Northern spot, 90⅜, country, 90; No. 3 Northern spot, 84¾, country, 83¾. I could give you the same figures on 2 Northern showing the premium running from ¼ of a cent to 1 cent per bushel, depending on how keen the demand was for grain to load boats.

Nor is this the only way that we are held up by the terminal elevators, as only last week I chartered two vessels to load grain at the elevators for winter storage to bring down at the opening of navigation, and not only did the elevators shove up the price spot grain ½ cent per bushel when they found it was required for this purpose but they notified the vessel owner that they would not load any grain into the boats after the 10th December, although the elevators run all winter and ship grain out by rail

Their action was simply another move to keep the grain in the elevators subject to their heavy charges, and an additional burden on the millers and exporters who are buying the grain for legitimate business purposes.

As one of the Royal Grain Commissioners I was opposed to government ownership of the terminal elevators and reported against government ownership, but in favour of steps being taken to prevent any parties interested in the grain trade from owning or operating the terminal elevators. Personally I am just as strongly opposed as ever to government ownership as a general principle, yet the conditions at Fort William are such that I am now convinced that there is no other remedy for the outrageous state of affairs existing there than government ownership and operation.

The steps taken by the Winnipeg Grain Exchange to curb the evil by the issue and registration of terminal warehouse receipts are entirely insufficient as it would still be possible by selection from the grades for the terminal elevator owner to put an illegitimate profit of 1 cent or 1½ cents per bushel into his pocket and at the same time to so handle his export business that he would ruin the business of any firm exporting in competition with him through his house.

The Winnipeg Grain Exchange in their last annual report referring to this question, state in part as follows:—

> They deplore the fact that owing to information already made public, confidence in the handling of grain through the terminals has been seriously impaired. These facts and those submitted by the previous speaker show that the present method of operating the terminal elevators is such a serious menace to the grain and flour industry of this country that it must speedily be removed or irreparable damage will be done, and therefore we ask you to take immediate action.

Mr. McCuaig.—The next gentleman whom I will ask to address you on this question is Mr. Hedley Shaw, of Toronto, representing the Toronto Board of Trade.

Mr. Hedley Shaw read the following paper:—

I beg to present the resolution of the Toronto Board of Trade in support of the resolution presented by Mr. McCuaig for the grain growers, as follows:—

Whereas representatives of the Winnipeg Grain Exchange, the Montreal Grain Exchange and the Kingston Board of Trade, waited on the Dominion government representing that it was of the utmost importance that the various grades of grain is inspected by the government inspectors should reach the consumer both in the eastern provinces and abroad without any admixture or selection of the grades, and they believe that the only way to attain this is for the government to take over and operate the terminal elevators at Fort William and Port Arthur;

And whereas since then no less than three of the terminal elevators were heavily fined for mixing the grades contrary to law in spite of the close supervision which the government maintained by means of their various officials;

And whereas from past experience we believe that the only way the grain can reach the consumer of the same quality and inspected into the elevators by the government inspectors is that it be stored in government elevators at Fort William and Port Arthur;

Therefore be it resolved that this grain section of the Board of Trade of the city of Toronto most earnestly request the Dominion government without delay to take whatever steps are necessary to take over and operate the terminal elevators at Fort William at the earliest possible moment so that the milling and export trade may be no longer handicapped by the dealers in grain owning and operating the terminal elevators through which the independent shippers are compelled to ship their grain thus removed forthwith especially as the acquisition and operation of these terminal elevators by the Dominion government would prove a very profitable operation and grow more profitable year by year as the quantity of grain to be shipped through these elevators will undoubtedly increase very largely each succeeding year.

In support of this resolution I beg to say that I have a line of interior elevators in the Northwest, I have mills at Brandon and Kenora, west of Fort William, for which all the grain is supplied as bought from the farmers. I also have mills at St. Catharines and Thorold and have now in course of erection an 8,000 barrel mill at Port Colborne, all in Ontario. The grain for these latter mills must come through the elevators at Fort William. Now I find that the grain which I take in at the mill at Kenora that has not passed through the terminal elevators at Fort William and Port Arthur is worth half a cent to a cent and a half more for milling purposes than the grain of the same grades which is shipped out from Fort William and Port Arthur elevators for use in my mills this side of the lakes. There is no difference in the value of this wheat as shipped by the farmers and inspected at Winnipeg, and there should be absolutely no difference in its value if it were shipped out of the Fort William and Port Arthur elevators as it is received in.

Why the difference?

1. Because the men operating those elevators take grain which is stored there by the farmers and dealers and which they do not own and should not have any interest in except as warehousemen and manipulate it by mixing No. 2, No. 3 Northern and even No. 4 into 1 Northern as shown by Commissioner Castle's report.

2. By the selection of grades.

3. By not cleaning the grain properly as called for by the inspection certificate.

Referring to the latter I find the average dockage on grain going into my mill at Kenora as assessed by Inspector Horn is 1½ per cent. If this average dockage applies

to all grain passing through Fort William, it would amount to over a million bushels per year. Do the elevators clean out of the grain passing through their houses over a million bushels a year? I think not. In this way they are enabled to put into their pockets a much larger profit and illegitimate profit than they could make by the legitimate operation of the elevators, notwithstanding the enormous storage charges which the grain has to bear.

What Mr. Goldie, the last speaker, told you regarding the cash premium is absolutely correct, as I have been up against the same thing every time that I have loaded a boat, and the profits in the milling industry are now cut so fine, especially in the export business where we have to compete with flour made from wheat from all over the world that we cannot profitably continue in business if subject to this handicap, even if the grain shipped out of Fort William and Port Arthur elevators was of equal value to that received direct from the west at our Kenora mill.

If the government does not take over and operate these elevators at once there will be no other course left me but to build a terminal elevator at Fort William in connection with my milling business, so that I can get the grain without its being manipulated or degraded for use in my mills down here. Then if I wish to compete with the other elevators successfully, I would have to adopt the same tactics that they do in handling the grain.

I trust, however, that the Dominion government will, by deciding to-day, to buy and operate the terminal elevators put a stop to the further tieing up of large sums of money in erecting more elevators at that point. Already the capacity of the elevators there has never been much more than half filled and is sufficient for the requirements of the trade for many years to come if in the hands of one management.

The members of the council of the Board of Trade of the city of Toronto are opposed as a whole to the principle of government and municipal ownership and so express themselves in considering this resolution, but they felt that it was a case of 'desperate diseases needing desperate remedies' and therefore they have forwarded this resolution to you with the earnest request that you will at once remove the grievance and restore the confidence of local as well as foreign buyers in the integrity of the grades of Manitoba grain as inspected by the Dominion government inspector.

Mr. McCraig.—The next gentleman I have to call upon is Mr. W. H. Richardson, of Kingston, who speaks for the grain dealers and exporters, both east and west.

Mr. H. W. Richardson.—Sir Wilfrid Laurier, Sir Richard Cartwright and Gentlemen: I did not expect to be here again this week to appear before you. However, I have been nominated by the Winnipeg grain exporting committee to represent them to-day on the floor of the House. As an exporter, I take great pleasure in being here to represent them. I have not prepared any set speech, but I know my subject fairly well. Sir Richard, I had the pleasure of appearing before you last February on this very question of terminal elevators, a question of vital importance to our country. And I must say, I thank you very sincerely for what you did, because there has been an improvement—no doubt about that whatever. Regarding my knowledge of the western business, I might say that our firm has been operating in the Northwest buying directly from the farmers and others since 1883, and we have continued up to the present day. Last year, we shipped 14,000,000 bushels of grain from Fort William. We have a line of country elevators carried here and there from High River south to Calgary and Portage la Prairie. We ship our grain to the terminal elevators in Fort William. This grain is inspected in transit at Winnipeg, and goes into the bins of the terminal elevator. Last spring, when I was before you, gentlemen, I made the charge that the grain was shipped out and skinned down to the lowest of the grade. Let me explain: Suppose that you have a car of wheat that should go No. 1 Northern. It is raised, perhaps, on the Portage plains, and it may not be as heavy as wheat raised in the West. It goes a pound shy. Then, you have another car of wheat from Saskatchewan that goes two pounds

to the bushel overweight, but it is not hard enough and it grades No. 2. Thus, you have the two, one being underweight and the other being overweight. Put these two together, and you have No. 1 Northern, a grade that every inspector would have to give it. This costs the elevator nothing and brings them a profit of $60. Of course, this is a loss to the country. I do not accuse these men of doing anything but what the law allows them to do. But I am here to-day to say that the only way I can see in which we can better this condition is for the government to take over the terminal elevators and operate them through a commission representing the grain growers and the Winnipeg, Montreal, Toronto and perhaps Kingston grain exchange. Put these elevators out of politics. The commission I speak of would represent the men who are furnishing the goods, and they will see that the goods are handled right. The question of cost naturally arises. I believe that they will pay; if present rates are charged, they will make enormous dividends. For instance, we pay one cent a bushel storage for every month. That includes insurance. But there are a number of concrete elevators the insurance on which costs at the rate of only one-fifth cent per bushel per year, or, on a bushel of oats, less than one-twentieth of a cent. Yet the man who puts the grain there, if he kept it a year, would pay 12 cents a bushel on wheat, and about one-third the value of the oats. But, take the Goderich elevator, which has been built for four or five years. They charge one and a half cents a bushel on winter storage, and one-half cent for handling in the summer time, with thirty days free storage. And they are able to pay, 10, 12, 14 per cent dividends. Regarding the cost of these elevators, I had the pleasure of being in the Railway Commission about a year ago, when the question was taken up by that commission. There was not a representative of the elevators who did not state that they were not paying six per cent—perhaps five per cent or four per cent. If that is all they are paying, surely the government can buy them cheap enough.

I noticed a statement in a newspaper some time ago that it might be good policy to adopt the Minnesota law. Gentlemen, I think our trouble is all from Minnesota. All the wrinkles, all the knowledge gained in thirty-five or forty years of elevator terminals there has been brought to Canada and used in Canada. We were doing much better before the Minnesota people came in. Do not let us go there to look for help. Surely, we are able to help ourselves.

Now, we want to keep up the character of our grain in Europe. We stand to-day with the reputation of shipping the best wheat to Europe that is shipped from any part of the world. Our wheat, it is true, does not bring much more than Minnesota wheat, but it always has a preference. But two or three years ago, when the Dakota crops were not good and the millers of the United States had to come to Canada for wheat, one of the best millers in the United States told me that he liked our wheat, that it reminded him of the old days when they first commenced to mill. That shows you that our wheat is better than theirs. Although it may not be the wheat; their grade is skinned down. I think that our No. 2 Northern to-day is equal to Minnesota No. 1 Northern. I think that if I were to lay these two grades down before a miller in New York State, he would give ours the preference. Now, we want to keep it that way; we do not want to weaken our grades. I have always said that we have the best climate, the best people, we can raise the best wheat, and we have the best waterways,—let us keep on doing. We are a great country, and we can afford to buy these terminal elevators. And not only that, but you can charge much lower rates than they do and still make money. In the busy season all the elevators would be needed, and you could use them all. But after the 5th of December, when you get through shipping, the demand for elevator space is much less. You could close up two-thirds of the elevators and still have all the space you need for the crop. You would pick out the elevators that are built of concrete and that cost very little for insurance either on the house or on the grain, and so you would be able to save millions, and the operation of same would be easy.

THE CHILLED MEAT INDUSTRY.

Mr. McCuaig.—The next request we have to place before you, Sir Wilfrid and gentlemen, is in regard to the chilled meat question. Our resolution is as follows:—

Whereas it is of very great importance to the whole of Canada that prompt government action be taken towards establishing a complete chilled meat system on a sound and permanent basis, with the interests of the producers adequately protected; and

Whereas, the live stock industry of Canada has been neglected, and if the neglect is continued it will soon result in impoverished farms, and the live stock industry of the country will make no headway until it is made worth the farmers' while to produce and furnish more and better stock; and

Whereas the farmers are on account of the unsatisfactory market going out of the meat producing business, and will not again take it up until the market is placed upon a stable basis, and further that under the present system of exporting there is always a danger of the markets of the world being closed to us, which would result in ruin to many: and

Whereas on account of the danger of encouraging monopolies the farmers cannot be satisfied with anything short of a meat curing and chilling process inaugurated by the Dominion Government, and operated in such a way that will guarantee to the producers the value of the animals they produce;

Therefore be it resolved, that the government be urgently requested to erect the necessary works, and operate a modern and up-to-date method of exporting our meat animals.

We suggest that a system owned and operated by the government as a public utility, or a system of co-operation by the producers through the government, in which the government would supply the funds necessary to first instal the system and provide for the gradual repayment of these funds and interest by a charge on the product passing through the system, would give the relief needed, and make Canada one of the most prosperous meat producing countries in the world.

CANADIAN COUNCIL OF AGRICULTURE.

D. W. McCuaig, *President.*
E. C. Drury, *Secretary.*

I will ask Mr. D. W. Warner, one of the directors of the United Farmers of Alberta, and member of the Canadian Council of Agriculture, to address you on this subject.

Mr. D. W. Warner.—Right Hon. Sir Wilfrid Laurier, Prime Minister, members of the government, and members of the House of Commons: Before taking up the subject committed to me, I wish to say that we have listened to the papers that have been prepared very carefully, and we know that they carry weight; we know there is argument in them. But I want to bring to your attention some of the difficulties of the very foundation of agriculture the world over—not alone in Canada, but the world over—the rearing of a profitable market for the live stock produced on our lands.

Proceeding, Mr. Warner read the following paper:—

To the Right Honourable Sir Wilfrid Laurier, Prime Minister, the Members of the Government and the Members of the House of Commons:

The live stock trade, of great importance now, must ultimately become the backbone of agricultural prosperity in Canada. We realize the importance of carrying on a mixed farming business, and we know that the keeping of stock is not only the best but the only means of preventing the depletion of our soil in anything like a permanent manner; all other means being more or less temporary.

Our prairie provinces, on account of the facility with which food can be produced, and the salubrious character of the climate, are exceedingly well adapted for the production of food-producing animals. Yet, on account of the inadequacy of the system of marketing stock, and notwithstanding the fact that consumers in the large centres of population have to pay very high prices for meat, the returns to cattle raising are so discouraging that increasing numbers of them are going out of this business to an alarming extent. The old cheap method of raising cattle on large ranches is rapidly disappearing; in the near future the only source of supply will be the farms, and under present conditions the farmer cannot possibly raise the number of cattle needed for the home and export trade with any reasonable profit to himself. Thus, one of the greatest sources of our agricultural wealth is being destroyed instead of being developed. We wish to impress on you the necessity of a profitable, economical and permanent market for our meat products. The marketing of our meat has so far been left in the hands of monopolies, of whose methods much complaint has been made and not without cause. We wish also to draw attention to the danger we are in while we leave the opportunity open for the United States meat interest to capture and control the export trade from our country. We contend that it is a very vital importance, if the Canadian meat export trade is to grow and prosper as our natural resources will permit that Canada must have her own route and equipment. Another serious condition rises when from any cause a crop is of poor quality, and there is no sufficient stock in the country to consume it. Still another complication, due to the poor and uncertain price for beef, is the deterioration of our beef animals through crossing of dairy breeds with them and the tendency to careless breeding of inferior stock.

The farmers in view of this situation believe that the remedy for this condition of affairs is the establishment of an export trade in dressed meat.

As to the advantages and feasibility of that proposition, we also quote extracts from the report by Dr. Rutherford, of August 1, 1909:—

'There is no doubt but that if the enterprise were properly financed, started on a firm basis, and conducted in an honest and business-like manner in the interests of the producer, there would be far less actual wastage than at present. It is altogether likely that, had it been possible to secure the required capital, the trade would have been inaugurated years ago.

'Such an enterprise, to be productive of the greatest benefit to all concerned, should be under effective public control, and it is to be hoped that in the not distant future some practicable scheme will be evolved, while affording a better and more reliable and regular market for our western live stock, will still leave the producer free from the trammels of any trust, whether foreign or domestic.

SITUATION IS DANGEROUS.

Canada is practically without abattoirs equipped for the slaughter of cattle, except to a very limited extent for the home market. She has no system of refrigerator meat cars, and has entering her ports very few ships fitted for the carrying of meat. In view of these facts it is scarcely necessary to dwell on the risk which she is constantly carrying. At any time, in spite of the best efforts of her veterinary sanitary service, the appearance within her borders of one or other of the diseases scheduled by the British Board of Agriculture is within the range of possibility. As matters now stand, were such a thing to occur, especially within the short period in which our western cattle are shipped, or at the time when our winter fed steers are being marketed, the consequence to the producers would be disastrous, while the whole trade would receive a blow from which it would require many years to recover. For this rason, if no other, the establishment of a chilled meat trade on sound business lines and under proper control may fairly be trmed a matter of national importance.

Besides the risk suggested by Dr. Rutherford, we may point out that by shipping the cattle on foot, we pay all the transportation expenses on the live weight, which is virtually just the double of the real meat weight. We incur large expenses in attending to and feeding the cattle during the journey; the cattle waste and deteriorate during the journey and bring lower prices on arrival, and so in every way the present method of shipping cattle alive is the most wasteful method of conducting this business,, both for producer and consumer, to say nothing of the suffering of the cattle during the long journey. After long and earnest consideration we have concluded that we as a nation cannot afford to have the farmers, our greatest wealth producers, left without a good market for their produce and hampered by trusts and monopolies. Such a condition, we think, would lessen their efficiency as farmers and stockmen, and tend to bring about a permanent and irreparable damage to the nation as a whole. This is not a new question. It is an old and serious one to those who, struggling along under the many adverse conditions, find that they are compelled to sacrifice the animals they have reared on the altar of monopoly, and find that the money they had hoped to obtain for the sustenance of their families has gone to further enrich the powerful and already rich operators of the meat trust.

We urge your government to seriously consider the advisability of providing the necessary equipment for the carrying on of a chilled meat trade with the British markets for the benefit of stock growers. We have all the more assurance in making this request from the fact that it has been the fixed policy of your government, since 1896, to grant bonuses for the development and encouragement of new industries in the different provinces of the Dominion. The government of Canada has paid bounties to fishermen of the maritime provinces to aid in the development of their fisheries during the last twenty-seven years the sum of $4,265,815. Since that date they have paid to the lead industry, $1,131,378; manila fibre industry, $144,459; crude petroleum industry, $1,559,672; iron and steel, $11,922,420; manufacture of steel, $1,633,702; making a total bounty granted these industries of $16,593,531. Including the bonus to fishermen the amount is $20,859,815. It is a debatable question whether, on account of the price paid, these industries are enabled to charge the public for their commodity through the protection granted them by the tariff, much benefit accrues to the people of Canada for this large gift to the different industries. Be that as it may, all the provinces of the Dominion, with the exception of the prairie provinces, have participated directly to these bounties. Furthermore, the government has, on no occasion granted a bounty towards the development of any branch of the agricultural industry. In view of this fact it does not seem unreasonable if the western farmers should request the government to render aid in creating conditions that would enable the farmers to market their stock produce to the best advantage. Furthermore, the bounty granted these other industries is a free gift. In our case we only request the government to make an investment that would be an addition to the capital account of the Dominion and could be made to pay interest on the investment directly.

While asking that the government undertake to put in a meat chilling system, we wish it to be fully understood and made clear that our associations are not asking something for nothing. We suggest that a system owned and operated by the government as a public utility or a system of co-operation by the producers through the government, in which the government would supply the funds necessary to first instal the system, would give the relief needed and make Canada one of the most prosperous meat producing countries in the world.

We urge that you give our live stock industry immediate and substantial assistance by improving market conditions through a national government meat chilling and export business.

The resolution on this question adopted by our association and presented to you for consideration, reads as follows:—

Whereas it is of very great importance to the whole of Canada that prompt government action be taken towards establishing a complete chilled meat system on a sound and permanent basis, with the interests of the producers adequately protected, and

Whereas, the live stock industry of Canada has been neglected and if the neglect is continued it will soon result in impoverished farms, and the live stock industry of the country will make no headway until it is made worth the farmers' while to produce and furnish more and better stock; and

Whereas the farmers are on account of the unsatisfactory market going out of the meat producing business and will not again take it up until the market is placed upon a stable basis, and further that under the present system of exporting there is always a danger of the markets of the world being closed to us, which would result in ruin to many; and

Whereas on account of the danger of encouraging monopolies the farmers cannot be satisfied with anything short of a meat curing and chilling process inaugurated by the Dominion government and operated in such a way that will guarantee to the producers the value of the animals they produce;

Therefore be it resolved, that the government be urgently requested to erect the necessary works and operate a modern and up-to-date method of exporting our meat animals.

We suggest that a system owned and operated by the government as a public utility or a system of co-operation by the producers through the government, in which the government would supply the funds necessary to first instal the system and provide for the gradual repayment of these funds and interest by a charge on the product passing through the system, would give the relief needed, and make Canada one of the most prosperous meat producing countries in the world.

THE HUDSON'S BAY RAILWAY.

Mr. McCuaig.—The next subject we are to bring to your notice is the Hudson's Bay railway. Our resolution is as follows:—

Whereas the necessity of the Hudson's Bay railway as the natural and most economic outlet for placing the products of the western prairies on the European markets has been emphasized by the western people for the past generation;

And whereas the Dominion government has recognized the need and importance of the Hudson's Bay railway and has pledged itself to its immediate construction, and has provided the necessary funds entirely from the sale of western lands;

And whereas the chief benefits to be derived from the Hudson's Bay railway will be a reduction in freight rates in western Canada due to actual competition, which could be secured only through government ownership and operation of the Hudson's Bay railway;

And whereas anything short of absolute public ownership and operation of the Hudson's Bay railway will defeat the purpose for which the road is advocated and without which it would be in the interests of western Canada that the building of the road should be deferred;

Therefore be it resolved that it is the opinion of this convention that the Hudson's Bay railway, and all terminal facilities connected therewith, should be constructed, owned and operated in perpetuity by the Dominion government under an independent commission.

CANADIAN COUNCIL OF AGRICULTURE.

D. W. McCuaig, *President.*
E. C. Drury, *Secretary.*

Mr. McCuaig.—In support of this request, I am going to call on Mr. R. C. Henders, of Culross, Man., President of the Manitoba Grain Growers' Association, and member of the Canadian Council of Agriculture.

Mr. R. C. Henders read the following paper:—

To the Right Honourable Sir Wilfrid Laurier, Prime Minister of Canada; the Members of the Government, and the Members of the House of Commons.

Situated as they are in the centre of the continent, the question of transportation becomes to western farmers of vital importance. For years they have had the idea established in their mind that the proper and most natural outlet for their farm products was by the Hudson Bay, that forming the shortest route to the European markets, reducing very materially the expensive land haul on commodities. They appreciate the fact that your government has taken steps towards building a railway to Hudson Bay. But there is an evident impatience in the public mind of the prairie provinces that the progress being made towards the construction of the road is not as rapid as the necessities of the case demand. We, therefore, urge that every effort be made towards the immediate construction of the Hudson's Bay railway.

The building of this road to the bay will be no burden on the public treasury as full provision has already been made by your government by which the necessary funds are already in hand being provided for by the sale of western lands. According to reports issued by your government western lands have been sold to the amount of $21,000,000. It is anticipated that when the payments on these lands are completed together with the interest on the same that the total will amount to $24,000,000. Estimates fix the cost of construction of the Hudson's Bay railway somewhere about $18,000,000, so there is ample money in sight for this purpose provided as above outlined. We are gratified that your government has already declared its intention in devoting this money to the construction of the road to the bay. When the Pre-emption Bill introduced in the House of Commons two years ago, the Minister of the Interior in speaking on the Bill said:

'I am insisting on the pre-emption provision as a means of ensuring the early building of the railway to Hudson bay.' During the debate on the same Bill several statements of a similar purport were made on the floor of the House by members of the government.

In view of the fact that the Hudson Bay railway is being built largely for the benefit of the western people and that the funds for its construction have been entirely provided from the west it seems only reasonable that the construction, ownership and operation should be in accord with the express wishes of the people most interested.

The farmers of the west view with alarm the current reports to the effect that when the Hudson Bay railway is built by the government, it will be handed over to some private corporation to be operated by them as a private concern. There is a very strong and growing sentiment among the Canadian people west of the Great Lakes in favour of public utilities being owned and operated by the government. This sentiment has been, and is still being created and enlarged by the excessive charges made by corporations for the service they render to the public.

We desire to call the attention of your government to the fact that the farmers of the west are not alone in the expression of the above views on this question. Practically every board of trade in the western towns and cities has gone on record as strongly in favour of government construction, ownership and operation of the Hudson's Bay railway, so that there is practically a unanimity of opinion on this question in Western Canada to-day.

The prairie farmers have not only to ship out their produce, but have also to ship in all commodities required on the farm, and in the distribution of these commodities

have very much felt the oppressive character of the present transportation system. This situation has led thinking men to look for a remedy, and there is becoming a settled conviction in the public mind that the only effective remedy is that public utilities, and semi-public utilities, should be operated by the governments—Federal, Provincial and Municipal—in the interest of the masses.

The present situation is that the few co-operate to discharge the function of distribution of commodities for the benefit of the few at the expense of the many. Instead of this, farmers consider that a new system should be adopted whereby the many, in the form of government, will operate public utilities for the benefit of the many; and groups of individuals discharge the functions of distributing commodities for the benefit of the many.

We would earnestly urge on your government that you will not only construct the Hudson's Bay railway as a government undertaking, as early as possible, and also provide all necessary terminal facilities for the handling of grain and other commodities as a government undertaking, but will also, on the completion of the road, operate it under an independent commission. To hand over the road, when completed, to a private corporation, would in our opinion, practically destroy its usefulness to western Canada; and we believe that the expenditure of the money required to build the road will not be justified unless the interests of the people are protected in the manner which we have indicated.

Whereas the necessity of the Hudson's Bay railway as the natural and most economic outlet for placing the products of the western prairies on the European markets has been emphasized by the western people for the past generation;

And whereas the Dominion Government has recognized the need and importance of the Hudson's Bay railway, and pledged itself to its immediate construction, and has provided the necessary funds entirely from the sale of western lands;

And whereas the chief benefits to be derived from the Hudson's Bay railway will be a reduction in freight rates in western Canada due to actual competition, which could be secured only through government ownership and operation of the Hudson's Bay railway;

And whereas anything short of absolute public ownership and operation of the Hudson's Bay railway will defeat the purpose for which the road is advocated, and without which it would be in the interests of western Canada that the building of the road should be deferred:

Therefore be it resolved, that it is the opinion of this convention the Hudson's Bay railway, and all terminal facilities connected therewith, should be constructed, owned and operated in perpetuity by the Dominion Government under an independent commission.

RAILWAY ACT AMENDMENTS.

Mr. McCuaig.—The next subject we have to bring to your attention is the amendments to the Railway Act. The amendments proposed were not put in the form of a resolution. Mr. James Bower, the president of the United Farmers of Alberta, has charge of this and will present to you the amendments proposed.

Mr. James Bower.—Right Hon. Sir Wilfrid Laurier, Prime Minister, Members of the Government and Members of the House of Commons, as intimated by our president, our views on the questions to which I am to ask your attention, were not put in the form of a resolution. This is simply because we are asking for a number of amendments to the Railway Act. The whole paper which I am to read has been signed by our president and secretary in the same manner as the resolutions, and the whole paper will be submitted in that form.

Mr. Bower, proceeding, read the following paper:—

To the Right Honourable Sir Wilfrid Laurier, Prime Minister of Canada, the Members of the Government and the Members of the House of Commons:

We wish to draw your attention to the Railway Act, certain parts of which are oppressive and detrimental to the farming interests. The parts to which we have more particular reference at the present time are:

1. The liability of the railways in the respect to fences and cattle guards.
2. For stock injured on the lines.
3. The adjustment of freight rates and amendments to sections of the Act which have reference thereto.

We might here say that not only the stock-killing question but the freight rates affect the farmer more deeply than any other class of people. They constitute not only the great bulk of the producing class but also of the consumers, so that although those who are dealing directly with the railways and paying the tolls may sometimes feel aggrieved, yet they reimburse themselves by charging a higher price for what they sell or protect themselves in what they buy, by buying at a lower price from the producer so that ultimately the greater burden of the freight rates falls on the farmer.

As to the killing of stock on the railways, our complaint is that the law as laid down in the Railway Act is very vague, giving the companies the chance of evading payment of just claims, a chance of which they take advantage in hundreds of cases.

We wish to draw your attention to section 254, which is not sufficiently complete in itself to enforce the building of suitable fences and guards over all parts of companies' lines where such are needed.

A ruling which was given some time ago by the Board of Railway Commissioners would to a great extent have affected a remedy but this ruling has however, been appealed, and we understand that the appeal has been upheld. There is no doubt whatever that the ruling was given for good cause, but the question of jurisdiction was raised thus defeating the protection that would otherwise have been given to the farmer. The argument against it as presented by the railway companies is an absurd one—that each individual case be tried separately—because by the time that could be done the injury would have been effected and irreparable loss sustained. The reasons given by the trial judges of the Court of Appeal for upholding the appeal were that although the ruling was reasonable and wise yet that parliament alone should change the policy expressed in this Section 254 of the Act.

Now, while subsection 3 of this section clearly states that: 'Such fences, gates and cattle-guards shall be suitable and sufficient to prevent cattle and other animals from getting on the railway,' yet it is very plain to all those who have to do with these that they are not suitable or sufficient, especially the cattle-guards. We do not know of any authority whose judgment would be infallible as to what is suitable and sufficient, but we ask that another clause be added making the presence of uncontrolled animals anywhere on the right of way other than on a public crossing, prima facie proof that these fences and guards are not suitable and sufficient, unless the company can prove that these animals gained entrance by way of private gates or crossings carelessly left open by the owners or agents of the owners of the cattle or the property.

Subsection No. 1 of section No. 294, which prohibits cattle from running at large within one-half mile of a railway crossing on a public highway, has evidently been inserted in the Act to prevent accidents when such accidents are caused by animals being on the crossings. This would seem to be a wise provision and we would not object to it if it were not used by the railway companies to evade payment of just claims.

Taking this in connection with subsections 3, 4 and 5 of section 254, it might appear to a casual observer, or possibly to those who framed the law, that the burden of proof is placed upon the company and that the right to recover is preserved to the

owner. This, however, is how it works. When the employees of the company whose duty it is to report to the company of stock injured, make their report they seem to almost invariably report that the stock had been running at large, without having made any investigation. At least we may infer that it is the case from the replies of the Claims Agents who, almost invariably, state that, according to information they have received, these animals were running at large and that in consequence of this the railway company interested is not liable; so that if the owner cannot positively prove that his animals got on the track out of his inclosed land through a defective fence, he has no chance whatever, though he may be morally certain that they did go through the fence. Unless he has a witness who saw them do so he can do nothing. This might not appear to be the meaning of the Act, but with the so-called information in the hands of the company, should it be reliable or unreliable, the company can take the advantage of it in establishing that the animals were running at large. Sheltering themselves behind this, the companies make no provision whatever by way of suitable and sufficient cattle-guards as thousands can testify.

No farmer would dare to set the law in motion against a powerful railway company, and as a result we have seen men who were almost ruined become almost desperate. We have seen quiet, inoffensive, industrious, law-abiding citizens transformed at least for the time being, into raging implacable foes of the government, smarting as they were under the sense of the injustice meted out to them.

When we have approached the higher authorities and asked that the law be amended or that at least an interpretation be given that would protect us we were repulsed by being told that we were suffering because of the consequences of our own acts. We have been told that the law as regards private crossings is just and reasonable, but we are not complaining of the law on private crossings, except subsections B and C of section 295, which takes away the owners right of action if any trespasser or outsider whatever has tampered with the fence. We do not want to hide ourselves behind the carelessness or negligence of any one but we want a law that will protect our property against needless destruction.

We would respectfully point out that the Act is:—

1. Defective in the respect that no full provision is made for the fencing of the right of way while the railway is under construction, thus throwing a man's farm open without any protection whatever.

2. Defective in no provision being made for compelling suitable fences and guards, the only competent test of such being their ability to keep animals off the track.

3. Defective in leaving it open for the railways to evade payment of just claims by bluffing or outlawing the claimant with a counter-claim that his animals were running at large.

4. Defective in barring the owner of right of action where any trespasser or person other than an officer or employee has taken down any part of the railway fence or wilfully opened any gate. This we claim is the right of the railway company to take care of and keep in order, no matter who injures it, especially as the Act elsewhere provides a penalty upon any one causing such injury.

5. Defective in not making the company liable for losses arising out of animals being injured, such as others in the herd being driven or scared away and lost; crops being destroyed by the animals being scared or forced in or loss of the use of work animals in consequence of the injury.

We would therefore respectfully submit that all railways be required to make a certified report each year of all animals killed or injured on its lines during the year with full description of the locality where the accident occurred together with the amount of claims paid. We have reason to believe that thousands of cases are never reported in such a way that the public can have knowledge of it.

We would also ask that the railways be required to construct all necessary crossings and approaches thereto at the same time that the line is under construction so that residents in the vicinity or other travellers be not put to unnecessary inconvenience.

Above all we would ask that the power of the Railway Commission be extended or an independent court appointed, giving them more complete jurisdiction over stock-killing or fencing right-of-way, or any such cases as may arise between the railways and the people, with the right to try such cases and award judgment.

We would also suggest that the following amendments be made to the Railway Act during the present session of parliament:

(1) That section 254 be amended by incorporating therein the recommendation and orders of the Railway Commission as contained in Order No. 7473, dated May 4, 1909, and signed by Hon. J. P. Mabee, Chief Commissioner of the Board of Railway Commissioners, with the addition that the presence of uncontrolled animals on railway property be prima facie evidence that the fences or guards are not suitable and sufficient.

(2) That section 294 be amended by repealing section 8 of the Act 9-10 Edward VII, chapter 50, of the Act to amend the Railway Act, chapter 37 of the Revised Statutes, 1906, and substituting for sub-section 4 of said section 294 the following:—

'4 When any horses, sheep, swine or other cattle get upon the property or lands of the company and by reason thereof damage is caused to or by such animal, the party suffering such damage shall, except in the cases otherwise provided for by the next following section, be entitled to recover the amount if such damage against the company, in any action in any court of competent jurisdiction; and, anything to the contrary in this section notwithstanding the fact that such animal was permitted to be at large contrary to the provisions of this section, or that such animal got at large through the negligence or any act or omission of the owner or agent, or of the custodian of such animal or his agent shall not deprive the owner of his right to recover: Provided, however, that nothing herein shall be taken or construed as relieving any person from the penalties imposed by section 407 of this Act.'

(3) That section 295 of the Railway Act, 1906, be amended as follows:—

(*a*) By inserting at the beginning of sub-section B the following words: 'any person for whose use any farm crossing is furnished,' placing such words before the the first word of the sub-section—' wilfully.'

(*b*) By amending sub-section C by adding thereto after the word 'fence' where it appears in the third line of said sub-section, the following words: 'Provided, however that it shall be the duty of an officer or employee of the company to keep such fences in good and proper repair.

The third question to which we would refer you is the excessive railway tolls, both passenger and freight, which are burdens keenly felt by farmers all over Canada. Ther are certain provisions of the Railway Act, however, which enable the companies to bring these burdens to bear on certain localities with more than doubly greater weight, and the provisions of which they take advantage to bring into action a vicious principle of discrimination are:—

The allowance of competitive rates and the consideration of which is termed density of traffic as a factor in framing their tariffs. We may well believe that railways will not choose to charge anything lese than a profitable rate, even where competition exists, so that they should not be permitted to charge more in localities where competition does not exist, or putting it in another form, each company will endeavour to make the maximum amount of profit, and if they are permitted to cut rates because of competition they will be sure to find excuse to make it up wher there is no competition.

While it does not appear to us that there is anything in the Act which expressly permits the regulation of the tariffs in accordance with the density of traffic, yet we well know that it is done and that a sufficiently liberal interpretation of the Act is permitted to enable them to do this, so that presumably the Act forbids discrimination, yet under the Act discrimination is carried on. The Act forbids, and rightly so, 'any reduction or advance in any tolls, either directly or indirectly, in favour of or against any particular person or company.'

The same principle and restrictions should obtain when applied to localities. The Act gives the inference that the same principle should obtain as to localities under similar circumstances, and here the question arises what are similar circumstances. We reply that density of traffic and competition should never be taken to mean that circumstances are not similar.

The Act says 'that no toll shall be charged which unjustly discriminates between localities,' yet it permits discrimination in favour of localities where competition exists or where the traffic is dense, even although that density is caused very largely by trade going further on and is charged a higher proportionate rate before reaching its destination.

This is a condition of things which leaves the way open for many abuses to creep in, and we have good reason to know that many abuses have made their way in, the effects of which are severely felt. Although it is made illegal for railways to give concessions to particular persons or companies, yet this can be done by giving concessions to localities where these particular persons or companies have the chief interest in the business.

If it is wrong to allow persons to purchase cheap rates to the detriment of others, then it is wrong to allow places this privilege, yet it is openly done, and it has been openly argued by railway lawyers before the Commission that they were justified in giving discriminatory rates because of this.

Thus, on account of the people's interests not being sufficiently safeguarded by the Act in this respect, the evils of this system become intensified in localities where they are least able to bear it. It might appear that in newly settled sections of the country the railways should throw out inducements to encourage trade, but their policy seems to be the very reverse, for where no competition exists they charge to the limit, and often exceeding it they make trade prohibitive. This is especially true where they are required to carry trade in opposite directions to the localities they wish to favour, or to or from points they wish to discourage, or in any direction that tends to shorten their own haul and giving it to rival carrying companies, thus completely ignoring the rights of the people. They then advance the argument that circumstances are not similar and work that argument for all it is worth and more.

They sometimes make the claim that the cost of construction and operation is greater in these localities but will not give the public any information as to what that cost really is.

They sometimes claim to be at a disadvantage in working in these localities, but grants and concessions have been given them many times greater than their disadvantages. Many instances can be given where discrimination exists to the extent of over 100 per cent, and incredible as it may seem even to the extent of 800 per cent, thus prohibiting trade between neighbouring localities and retarding the development of the country.

We believe that the Railway Commission should be given more complete jurisdiction in this and in all matters of dispute between the railways and the people, and that at the same time the law should be more clearly defined, for their guidance in these matters. On account of the public character of the railways they should not be permitted to discriminate against any part of the public or against any locality. Every precaution should be taken to guard against this, for while the same men who

are financially interested in the railways are financially interested in other lines of trade and commerce then the incentive to discriminate will remain.

A feeling of indignation has been growing for many years among the farmers and of late has been gaining much added strength, indignation because of the railways being permitted to practice what has been called 'watering their stock' and then raising their tariffs to a level that will give a profit on this fictitious capital.

The feeling is widespread that the time has come when this should cease.

We believe the time has come when a true physical valuation should be taken of all the different railways operating in Canada to be used as a basis of fixing the rates and that the information so obtained be placed in the hands of the public.

In summarizing this portion of the report we would therefore request:—

1. That the principle of fixing the tariffs in accordance with the competition of other roads or the density of traffic or volume of business handled be disallowed.

2. That a true physical valuation be taken of all railways operating in Canada, this valuation to be used as a basis of fixing the rates, and the information to be available to the public.

3. That the Board of Railway Commissioners be given complete jurisdiction in these matters as well as in all other matters of dispute between the railways and the people, and to enable them to do this that the law be more clearly defined.

CANADIAN COUNCIL OF AGRICULTURE.

D. W. McCuaig, *President.*
E. C. Drury, *Secretary.*

CO-OPERATIVE SOCIETIES.

Mr. McCuaig.—I will now ask your attention to the subject of co-operative societies. Our resolution on the subject is as follows:—

> Resolved, that in the opinion of this convention it is desirable that cheap and efficient machinery for the incorporation of co-operative societies should be provided by federal legislation during the present session of parliament.

CANADIAN COUNCIL OF AGRICULTURE,

D. W. McCuaig, *President.*
E. C. Drury, *Secretary.*

I will ask Mr. E. J. Fream, Secretary of the United Farmers of Alberta, and a member of the Canadian Council of Agriculture, to explain our position on this subject.

Mr. E. J. Fream read the following paper:—

The Right Honourable Sir Wilfred Laurier, Prime Minister of Canada, the Members of the Government, and the Members of the House of Commons:

In a country so vast as Canada, matters which might be suggested as falling to the provinces in so far as legislation is concerned, must necessarily require attention from the Dominion government. At the present time the question is probably of moment to all Canadians and which can be included in this class, is that of co-operative legislation.

In a country of magnificent distances, it is inevitable that transportation charges add greatly to the cost of most of the articles in every day use among the settlers in the thinly settled portions of the country. There are other charges which can be added to the cost of these articles, and these include the present system of supply and distribution, which is not to the benefit of the producer or the consumer.

These extra charges could, we believe, be largely eliminated by the introduction of an intelligent method of co-operation and we would therefore ask that you introduce as a government measure, an efficient Act providing for the incorporation of co-operative societies no matter whether it may be a large or a small one.

Other interests have been allowed to organize under a Dominion law, and while we do not ask for legislation which will permit a control or give any special privileges, still we believe that we should be allowed to organize and carry on business if we are desirous of doing so.

Efforts have been made towards organizing co-operative societies, but it is necessary that if the future efforts are to be crowned with success then this legislation must be enacted.

It might not be amiss for us to draw attention to the conditions which have prevailed in this country. In the days of the early development of the eastern provinces not only were the farming and labouring classes subject to the disadvantage and limitations found in a new country, but all other interests were also in a pioneer stage, and had to make their growth with the country. In the opening of the newer parts of the Dominion conditions are altogether different. Powerful corporations control every avenue of trade and commerce, and by combining prices they are able to take undue advantage of the helplessness of both the producer and consumer, who under present conditions are compelled to submit.

The co-operative movement is world-wide, and in some countries, notably Great Britain and Denmark, much has been done to bring the producer and consumer together. In fact in Denmark this has been carried to such an extent that the middlemen have been almost completely eliminated.

Last year two co-operative Bills were introduced into parliament by private members, and although they apparently found favour with the majority of the members, still for some reason which has not been satisfactorily explained these Bills did not become law.

We are given to understand that co-operative legislation will again be introduced during the present session by a private member, but, Sir, knowing the limitations of the present system of government and the fact that it is almost an impossibility to secure the passage of what might be called a public Bill when introduced by a private member, we would ask you to give this matter your serious consideration, and we request that your government will introduce and pass during the present session efficient legislation which will permit the organization of co-operative societies.

We do not think that this is an unreasonable request, as legislation of this kind does not call for the compulsory establishment of these societies, but as it will be permissive only then the residents of any district will be able to determine themselves whether they will be incorporated or not.

It may be said that it is possible to organize so-called small co-operative societies under provincial legislation governing joint-stock companies, but it is found in practice that to do this it is necessary to resort to several plans, and to engage legal help to prepare constitutions and general rules which will meet these cases.

Seeing that this proposed legislation will affect no interests, we are fully justified in asking for this legislation, and to bring to your attention the many demands received from all parts of the country.

In conclusion, we would draw your attention to the fact that there should be one uniform law regulating the operation of co-operative societies in the development of what is known as the co-operative movement in Canada, and that such legislation will be for the general benefit of Canada.

We desire to state that we endorse this co-operative movement, and wish to emphasize the fact that it will be of immense benefit to the whole of Canada.

Presented on behalf of the Canadian Council of Agriculture.

EDWARD J. FREAM.

THE BANK ACT.

Mr. McCuaig.—I have now to present, Sir Wilfrid Laurier, a resolution that has been passed on the subject of the Bank Act. I shall not call upon any speaker to support it, but will simply read it as the resolution passed by the convention held in this city yesterday. It is signed by the president and secretary, as the other resolutions are:

'Whereas it is generally believed that the Bank Act forming as it does the charter of all Canadian banks for a ten year term, by its present phrasing prevents any amendment, involving curtailment of their powers enjoyed by virtue of the provisions of such charter:

'Be it resolved, that this Ottawa Convention of delegates desire that the new Bank Act be so worded, as to premit the Act to be amended at any time and in any particular.'

CANADIAN COUNCIL OF AGRICULTURE.

D. W. McCuaig, *President.*
E. C. Drury, *Secretary.*

THE CUSTOMS TARIFF.

Mr. McCuaig.—We now come to the last request we have on our list, and I may say it is the most important of all the requests we have made of you to-day. It refers to the Customs tariff.

Proceeding, Mr. McCuaig read the following memorial:—

The Right Honourable Sir Wilfrid Laurier, and the Members of the Cabinet:

Gentlemen,—This delegation, representative of the agricultural interests of Canada desire to approach you upon the question of the bearing of the Canadian customs tariff.

We come asking no favours at your hands. We bear with us no feeling of antipathy towards any other line of industrial life. We welcome within the limits of Canada's broad domain, every legitimate form of industrial enterprise, but, in view of the fact that the further progress and development of the agricultural industry is of such vital importance to the general welfare of the state, that all other Canadian industries are so dependent upon its success, that its constant condition forms the great barometer of trade, we consider its operations should no longer be hampered by tariff restrictions.

And in view of the favourable approaches already made through President Taft and the American Government looking towards more friendly trade relations between Canada and the United States this memorial takes form as follows:—

1. That that we strongly favour reciprocal free trade between Canada and the United States in all horticultural, agricultural and animal products, spraying materials, fertilizers, illuminating, fuel and lubricating oils, cement, fish and lumber.

2. Reciprocal free trade between the two countries in all agricultural implements, machinery, vehicles and parts of each of these; and, in the event of a favourable arrangement being reached, it be carried into effect through the independent action of the respective governments, rather than by the hard and fast requirements of a treaty.

3. We also favour the principle of the British preferential tariff, and urge an immediate lowering of the duties on all British goods, to one-half the rates charged under the general tariff schedule, whatever that may be; and that any trade advantages given the United States in reciprocal trade relations be extended to Great Britain.

4. For such further gradual reduction of the remaining preferential tariff as will ensure the establishment of complete free trade between Canada and the Motherland within ten years.

5. That the farmers of this country are willing to face direct taxation in such form as may be advisable to make up the revenue required under new tariff conditions.

Believing that the greatest misfortune which can befall any country, is to have its people huddled together in great centres of population, and that the bearing of the present customs tariff has the tendency to encourage that condition, and realizing also, that in view of the constant movement of our people away from the farms, the greatest problem which presents itself to Canadian people to-day, is the problem of retaining our people on the soil, we come doubly assured of the justice of our petition.

Trusting this memorial may meet your favourable consideration, and that the substance of its prayer be granted with all reasonable despatch.

CANADIAN COUNCIL OF AGRICULTURE,

D. W. McCuaig, *President.*
E. C. Drury, *Secretary.*

In support of this most important subject that we have to place before you, I will call upon Mr. J. W. Scallion, of Virden, Man. Mr. Scallion is, and has been since its organization, Honorary President of the Manitoba Grain Growers' Association. He is also a member of the Canadian Council of Agriculture.

Mr. J. W. Scallion read the following paper:—

To the Right Honourable Sir Wilfrid Laurier, Prime Minister of Canada, and Members of the Government and Members of the House of Commons:

This delegation, representing the agricultural interests of Canada and the great body of the common people, desire to congratulate you, Sir Wilfrid, on you attaining your sixty-ninth birthday, and trust that you will continue to receive expressions of kindness and good-will from all over the empire on the recurrence of many such occasions in the future.

We wish to thank you, Sir Wilfrid, for having afforded us this opportunity of presenting to you and your cabinet ministers and the members of parliament present at this meeting the farmers' views and desires with respect to our protective tariff and other questions of vital importance to the agricultural and general interests of this country.

Our protective tariff is felt to be a great burden upon the agricultural industry of Canada, and upon the great body of consumers of protected commodities. When the Tariff Commission held meetings of inquiry throughout the country, some five years ago, the farmers made their position on the tariff very clear; they wanted no protection for their own industry and strongly urged that the tariffs be reduced to a revenue basis. They hold that opinion to-day; more strongly, if possible, than they did then. They are willing to meet the requirements of a tax framed to cover the public expenditure of the Dominion, the proceeds of which, less cost of collection, will go wholly into the public treasury. But they strongly protest against the further continuance of a tariff which taxes them for the special benefit of private interests. They say that this is wrong in principle, unjust and oppressive in its operation, and nothing short of a system of legalized robbery. Prices for the produce of the farm are fixed in the markets of the world by supply and demand, and free competition, when these products are exported, and the export price fixes the price for home consumption, while the supplies for the farm are purchased in a restricted market where prices are fixed by combinations or manufacturers and other business interests operating under the shelter of our protective tariff. Such a fiscal system is manifestly unjust and should be abolished.

It is claimed by the advocates of protection that the system furnishes a home market at good prices for the produce of the farm and, therefore, is a compensation to farmers for having to pay higher for their supplies. But when it is considered

that during the fiscal year ending 31st March last, markets had to be found in foreign countries for $115,000,000 worth of the produce of our farms, including animals and their products, and that our exports of such products will largely increase as time goes on, for our great west is only beginning to show its capabilities for the production of hundreds of millions of bushels of grain and hundreds of thousands of live stock and other produce, and that the export price fixes the price for home consumption, the argument of a home market can only be regarded as a joke.

RECIPROCITY.

No trade arrangements which the Canadian government could enter into with any country would meet with greater favour or stronger support from the farmers of this country, than a wide measure of reciprocal trade with the United States. Such a trade arrangement, including manufactured articles and the natural products of both countries would give the producers a wider and more profitable market in which to sell a great deal of their produce and a cheaper market in which to buy a large quantity of their supplies. This statement can be verified by a comparison of prices in both countries, for years. The prices for grain, live stock and dairy produce under normal conditions, are much higher in the States than on this side of the line. The importance of an extension of our trade with the United States has been recognized time and again by our statesmen, who, on several occasions endeavoured to secure a wider measure of reciprocal trade with that country. Until quite recently the United States government was not favourable to the extension of freer trade relations with other countries. That policy did not apply to Canada particularly, as some of our opponents of reciprocity would have us believe, but was the policy of the United States towards all nations. A political party, pledged to a high tariff has held power in the United States almost continuously since the civil war, when the high tariff was adopted for the purpose of meeting that war debt and the powerful corporate and private interests which came into existence and developed under that tariff, and because of it, have continued to exercise such control over public men and legislation in that country as to be able to prevent any successful attempts to lower the tariff or enter into freer trade relations with other countries. But a change has taken place in public opinion in the United States. The President has asked our government to enter into negotiations for the purpose of bringing about freer trade relations between the two countries. This action of the President has been backed up by the people of the United States in the recent elections in that country. Negotiations between the two governments looking to the extension of trade between the two countries, have begun.

The delegation, representing the agricultural interests of Canada, strongly urges our government to meet the United States half way and secure as large a measure of reciprocal trade in manufactured articles and the natural products of both countries, as possible. Farmers are aware that a general lowering of our protective tariff and reciprocity with the United States will be strongly opposed by the united strength of the protected interests which have grown wealthy and powerful under our protective system. Already their special pleaders among the public press, and in public life, are pointing out the dangers to Canadian interests and to British connection, of a treaty of reciprocity with the United States. Our shipping interests will be ruined, our great transportation systems will be destroyed, the quality of our grain will be lowered, in fact general ruin will overtake us, all of which, of course is very alarming to those people, but which only exist and is conjured up in the imagination of the pleaders for special privilege. These pleaders have no warrant for such statements. This is clearly shown from the fact that our trade with the United States for the last fiscal year amounted to about $350,000,000 nearly equal to our trade with all other countries combined. Is not that a valuable trade and of great mutual benefit to both countries? Are there any apparent dangers to the general interests of Canada from that trade?

And if not, why should its extension be not regarded as a great benefit to both countries? We have made trade arrangements with France, with Germany, and other smaller countries, which is all very well as far as it goes. We have subsidized transportation companies to promote such trade. Then why should we not endeavour to enlarge our trade with the 90,000,000 of people right at our own door who afford us the greatest market of any country in the world—a market that will grow as the population of that country increases?

It is stated that in entering into reciprocal trade with the United States, vested rights must be protected, meaning, of course, the rights of our protected manufacturers, but when the policy of protection was adopted by the Canadian people, it was with the understanding that as soon as the protected industries had time to develop and become firmly established, protection would be withdrawn and the people relieved from further taxation for the benefit of private interests. We think that protection should have been removed years ago, and we think that now, in the framing of a fiscal system intended to do justice to every interest in the matter of taxation, that so called vested rights founded and developed upon a system of unfair and unjust legal exactions from the great body of the people, should be given no consideration whatever.

We are in favour of an increase to 50 per cent of the British preference on all imports from Britain and favour a further increase from time to time until the duty on British imports is entirely abolished.

We do not regard with favour the suggested appointment of a tariff commission. All that such a commission could find out with regard to the effects of the tariff upon the different industries and interests of the great body of the people is already well known. What is wanted is a general lowering of the tariff without any unnecessary delay.

I beg to submit this statement to the government, for its early and earnest consideration.

Mr. McCuaig.—I will now call upon Mr. E. C. Drury, from western Ontario, Secretary of the Canadian Council of Agriculture.

Mr. E. C. Drury read the following paper:—

The Right Honourable Sir Wilfrid Laurier, Prime Minister of Canada, the Members of the Government, and the Members of the House of Commons:

In presenting this memorial on the question of the tariff, a memorial prepared and unanimously endorsed by the largest and most representative congress of farmers ever held in the Dominion of Canada, representing every province, and nearly every phase of agriculture from the Atlantic to the Rocky mountains, I wish to assure you that we do not approach the question with any ill-feeling towards our manufacturers, nor with any undue regard to our own interests, but with the firm belief that the justice we demand is in the best interests, not only of Canadian agriculture, but of our young nation as a whole.

There can be no question that our greatest national asset, both material and social, is found in the farms of our country. Our agricultural resources are our greatest national gifts, an asset that with proper management under an intelligent and prosperous farm population will increase rather than decrease in value from year to year, forming a firm and enduring basis of national well-being. Our farm homes, with their great possibilities for good, physically, intellectually and morally, must always be a most important factor in our national life, while a sturdy, prosperous and contented farming class must always be our best safeguard against invasion from without or decay from within.

There can be no questioning the fact that agriculture is not prospering in Canada as it should at the present time. It is customary in certain quarters to refer to the lack of intelligence and enterprise among the farmers themselves as the cause of this condition. This, however, is not entirely in accord with the facts. No class in the

country has shown itself more thrifty or industrious, more willing to take advantage of every opportunity to learn and apply improved methods, or more ready to adapt itself to changed conditions. The simple facts must be faced that, in spite of these things, agriculture has failed to hold its own. Agricultural population has steadily decreased for the last thirty years in every province east of Manitoba, while even in the western provinces, town population has increased at a faster rate than that of the farms. It is useless to point to the settling of the west as the cause of the eastern decrease. That has no doubt been contributory, but cannot account for the greater part of the decrease. It is equally useless to suggest the use of improved machinery as a possible cause. That largely explains rural depopulation under such conditions as prevail in England where agriculture was fully developed before the introduction of labour-saving machinery and where every piece of improved machinery displaced human labour on the farms. In Canada the case is entirely different. Simultaneously with the introduction of improved machinery has come the specialization of agriculture, calling for more men in the dairy, fruit and mixed farming even with improved machinery than were ever required under the old conditions of grain farming. We must attribute these movements of population, disastrous as they must prove to our national well-being, to the effect of a tariff which encourages city industries at the expense of agriculture.

The farmers of Canada do not ask for any tariff favours. We realize clearly that these can be of little value to us. Practical farmers, engaged in nearly all the varied lines of agriculture, and prominent in these lines, will follow me and give their testimony to the truth of this statement. We do, however, ask to be relieved of the burdens imposed upon us by a protective tariff which prevents foreign competition, and allows our manufacturers to raise their prices above those which would exist under free competition, that they do so raise them, in most cases to the full extent allowed by the tariff, is very plain. The artificial burden thus imposed on the farmer is very considerable, and is quite sufficient to account for the decrease in rural population.

Protection is no longer needed to encourage infant industries, and in many cases, the present actually works to discourage the expansion of manufacturing industries by encouraging the formation of combines whose interest it is to keep the market understocked, and which offer a far more terrible competition to a concern outside the combine, than it could possibly find under free trade conditions. Our anti-combine law is no remedy for this condition because of the difficulty, without incurring heavy expense, of gathering sufficient evidence to establish a prima facie case, even where we are sure a combine exists. Besides, there is little doubt that our manufacturing concerns, many of them very dropsical, are in many cases paying unduly large dividends. I am speaking of conditions on which the public can get but little light, but what little light has been shed on the question shows this statement to be true. In at least one case, a government blue-book is responsible for the statement that one large concern engaged in an industry which has been one of our most persistent beggars for tariff favours, was able to declare a dividend of fifty per cent on the cost of its common stock, in the same year that it issued a circular complaining of lack of prosperity due to insufficient tariff protection. We believe this is not an isolated case.

Under these circumstances, we appeal to you to right a condition which we believe to be not only unjust to our industry, but injurious to our national well-being. Our demands have received our fullest consideration, and we are prepared to urge them most strongly. We believe them reasonable and we hope for early action in the direction of granting our desires.

In asking that every means consistent with our national honour be taken to secure free trade with our southern neighbour in agricultural products and imple-

ments, we believe we are not unjust to our manufacturers of implements. The greater competition in farm implements, and the wider markets in farm products, must prove of the greatest advantage to our farmers, both east and west.

In the increased British preference, with ultimate free trade with England, we look for relief from the general tariff burden. To this proposal we hope for little opposition from our manufacturers, since it gives them an opportunity to show, in a practical form, what their much vaunted loyalty to the empire amounts to.

In closing, I would wish to impress upon you the fact that there is no division of feeling between the farmers of the east and west on the tariff question. This delegation, and the convention preceding it, prove conclusively that the east and west are entirely one on this great question.

E. C. DRURY,
Secretary, National Council of Agriculture.

Mr. McCuaig.—I will now call upon Mr. Thomas McMillan, of Western Ontario, member of the Executive Committee of the Dominion Grange, and member of the Canadian Council of Agriculture.

Mr. McMillan read the following paper:—

The Right Honourable Sir Wilfrid Laurier, the Members of the Government, and the Members of the House of Commons:

In offering a few remarks upon the bearing of the provisions of the present customs tariff and the amendments contained in the changes proposed in the prayer of our petition, I do so from the standpoint of the general Ontario farmer engaged in the live stock industry in connection with a system of mixed farm husbandry.

Although for years the Ontario farmer has borne the burden of the injurious effect of the Canadian Customs tariff yet the fact remains, that any enactment of a government which perpetuates an injustice upon the great body of the people, will move down. The people may rest under the injustice for a time, but even without further provocation, the dissatisfaction bursts forth again.

The annual effect of this present tariff has not only been to take a margin of millions out of the pockets of the great body of the people, and place those millions into the hands of a few, but it also acts as a serious handicap upon the operations of the agriculturist. As that petition truly sets forth, the farmer bears no feeling of antipathy towards any other line of industrial life. He welcomes within our border every legitimate form of industrial effort, but why should agriculture be called as it is under the tariff, to pay tribute to any other form of industry? The farmer is being told continually that he should not complain, that our manufacturers employ the workmen who furnish a great home market for his products, but the fact remains, that from the testimony of the manufacturers themselves, in several lines, it would pay the people of Canada well, to take the margin which this customs tariff causes them to pay, and with it pension the workmen in those lines to the full extent of the wages they receive, and they would still have money to the good.

We come before you asking no favours, but we claim that agriculture, should, under the tariff, be placed upon an equal footing with the other industrial enterprises of the land.

If this petition were to ask that the agricultural industry be allowed its supplies of raw material either free or at the lowest possible rates of duty, it would only be asking that agriculture be allowed to share one-half the privileges, which, for thirty years, has, under the provisions of the tariff, been enjoyed by many lines of manufacturing industry.

Why do I say so? Study the provisions of the tariff and on the one hand, we find that it gives the manufacturers a margin of all the way from 15 to 35 per cent

on their goods as against foreign competition in the home market. As against that margin of profit we ask nothing. We are willing in the sale of our products to meet the open competition of the world.

Study the other side of the tariff and we find that at every convenient turn manufacturers are given their raw materials either free, or at the lowest possible rates of duty. That is right. We fully endorse the action of your government in this respect. But why should agriculture be debarred from sharing the same privileges, which, in this respect, our manufacturers enjoy? Surely it is not because in your estimation the agriculture of Canada is a secondary industry! Mark you, gentlemen, we do not for a moment insinuate that you would deliberately sit down and frame a tariff which would burden this all-important industry. We know something of this cause. We are proud of the good work which Mr. Fisher and the Department of Agriculture has done in bringing to such full perfection our transportation equipment, and we are only sorry that our hampered condition prevents our reaping its advantages to the fullest degree. The situation of the agriculturist of Canada is such, that on the one hand, we find our departments of Agriculture, both local and federal, insisting that we farm more intensively, underdrain our lands, till our soil better, keep more live stock and employ more labour; while on the other hand, we find upon the statute books of our country a statutory provision which has the effect of seriously reducing our margin of profit, taking our labour away from us, and piling our people together in great centres of population.

The farmer is willing to meet any legitimate competition in the labour markets of the country. He does not wish to underpay his workmen. His desire is to remunerate them well. But when he is compelled to face a statutory provision which takes from him a margin of millions, and those millions are employed in competing with him for his own farm labour, he cannot stand an unjust competition such as that. As the result of those conditions, farm labour has now become so very scarce, that the labour of the farm cannot be properly accomplished, the general farmer of to-day sees nothing ahead but continuous toil. His family becomes dissatisfied. The constant tendency is to leave the old homestead, and as a final result, in some of the fairest portions of Ontario, we find almost as much farm property for sale as at any previous period in our history.

When we are face to face with conditions such as those, when we see the sturdy yeomanry of Ontario gradually deserting the farm, when we know that the greatest misfortune which can befall any country is to have its people huddled together in great centres of population, and that the bearing of this present customs tariff has the tendency to encourage that condition, is it not the bounden duty of the government to endeavour to make all the conditions surrounding agriculture, as favourable as they possibly can.

In endorsing the prayer of that petition, we believe that if a favourable reciprocal trade arrangement can be obtained with the government of the United States, whereby animals and their products as well as all agricultural products would be allowed free access to those great consuming centres, it would certainly give a great impetus to the agricultural industry. The progressive farmer of to-day must be a manufacturer of high class products, such as highly finished live stock of all kinds, beef, bacon, mutton, poultry, eggs and cream, butter and cheese.

Study the American live stock markets and we find that the best beef animals as a general rule, sell from at least $1 to $1.50 per cwt. more than our prices in Toronto. None of that high class beef is shipped abroad. It is all consumed by the wealthier classes at home. Ontario farmers are able to compete with the world in the production of high-class beef, and if we could obtain access to that great market we would be able to enter the best market of the world, which lies right at our very door. We would not then be, as we are now, practically shut out of our markets for six months of the year, by the long overland railway journey, which precedes the ocean voyage to

the British market. In short, it would do more for the beef cattle industry in Ontario than all the government enactments of a generation. In other products I have named, speaking generally (with the exception of live hogs which often rule about the same) prices are invariably higher than in our Canadian markets. Prominent men, in their ignorance of the real requirements of an advancing agriculture have described these articles, as but 'the minor products' of the farm, but, gentlemen, I want to impress upon you the fact that these productions constitute the very right arm of a permanently successful agriculture.

Turning to the increased preference which we desire to give to the goods of Great Britain, we do not carry our loyalty upon our lips but hasten, in a practical way, to show gratitude for the open door, the splendid treatment, which we have always received at the hands of the motherland. As farmers and workingmen ourselves, we would scorn to ask that any burden be placed upon our fellow workers of the British Isles, by even suggesting that the bread of her labouring men should be taxed for our benefit.

In conclusion, gentlemen, let me say we resent the insinuation that trading with our American cousins will render us less loyal citizens of Canada and the Empire. Any person who thinks that the loyalty of the Canadian people is nothing better than simply a commercial commodity, to be bartered away, very much underestimates the temper and spirit of true Canadianism. Let us trade where, and with whom-so-ever we may. There are no people on the face of this globe, to-day, who, if occasion demanded, would manifest a trurer and nobler national spirit than the free people who find their homes on the face of Canadian soil.

Mr. McCuaig.—Next, I am to call upon Col. Fraser, from Brant county, Ont.

Col. Fraser read the following paper:—

The Right Honourable Sir Wilfrid Laurier, the Members of the Government and the Members of the House of Commons:

I have the honour to reside in the western portion of Ontario that is noted for its varied production of agriculture, such as grain of all kinds, potatoes, turnips, horses, cattle, sheep and lambs, hogs, butter, cheese and eggs. And situated as we are, surrounded on three sides by United States territory, with its large cities directly on or near our borders with a large consuming population of the products I have named, the advantages of reciprocal trade relations with the United States are so apaprent that it is almost needless on my part to make any statement to that effect.

The price of the articles I have named being, with few exceptions, at all times in excess of the prices prevailing on our side of the line.

Treating on the question of turnips, I have frequently seen paid in customs and freight dues nearly four dollars for every dollar paid the producer. This is only one of the many like instances I could enumerate. It is no wonder then that the farming interests in my district are depressed; that the bailiff's business is largely on the increase; that merchants are unable to collect their bills and that the general conditions of the farmer call loudly and piteously for a change. The conditions as outlined in the contemplated changes of the tariff, would, I believe, largely eliminate the existing conditions and place on a sound foundation our agricultural interests, on whose prosperity the condition of all classes so much depends.

Our large immigration which we are at present enjoying, with the enormous influx of capital which accompanies it, together with the vast expenditure of moneys on public works by Dominion, Provincial and Municipal, prevents for the time being these conditions being fully felt, but let a period of depression occur, which is not only possible but probable, and a condition of affairs will soon result which will be appalling.

We have nothing but the kindliest of feelings for our manufacturers, but we fully realize that a policy that has robbed our province of 100,000 of its rural popula-

tion in 25 years makes the situation so grave that relief must come and come speedily ere it is too late and we have forever destroyed a yeomanry, the finest that history, either ancient or modern, has ever known.

I will say no more, lengthy discussions will do no good; the facts are so apparent that a child of tender years understands the situation. How much more then must it appeal to you as intelligent men?

I therefore trust you will, if possible, avail yourselves of the opportunities afforded by the contemplated offer which is likely to be afforded you.

J. Z. FRASER.

Mr. McCuaig.—The next gentleman I have to call upon is Mr. W. B. Fawcett, of New Brunswick.

Mr. W. B. Fawcett read the following paper:—

The Right Honourable Sir Wilfrid Laurier, Prime Minister of Canada, the Members of the Government, and the Members of the House of Commons:

I only wish to add a word for New Brunswick and to say, if a treaty can be obtained that will give our natural products free access to the American markets it will immensely benefit our chief industry, agriculture, as well as several others, scarcely less important to our province.

Farm production with us in most lines has made serious losses for many years past, especially in live stock. The value of our improved farms has generally decreased. Even the best dyke lands in my own county are worth less than formerly. And our provincial government is expending considerable money in attempts to repeople our abandoned farms with British immigrants. But the abandonment of other farms goes on just the same.

The feeling is becoming very general that the protective tariff in force now, as well as in the past, is largely responsible for this retrogression.

Under such a tariff manufacturers are not only enabled to outbid farmers in the matter of hired labour, but to impose unreasonable prices on practically everything required to operate a farm.

Our soil and climate favour the extensive and profitable growing of fruit, and nearly every farm crop common to Canada. Even under the adverse conditions so long existing, we are producing a considerable surplus of potatoes, turnips, hay and dairy products, and our farmers would receive a direct and immediate benefit from reciprocity.

To illustrate briefly I may mention myself; and say, that free access to the American market with my own hay crop, would make me a net gain annually of $360; and on my strawberry crop, $200, counting only one-half the duty imposed by the United States tariff and I am only one of many.

Mr. McCuaig.—I now call upon Mr. J. E. Johnston, of Ontario.

Mr. Johnston read the following paper:—

Sir Wilfrid Laurier and Gentlemen.—In supporting the unanimous opinion of this delegation in favour of reciprocity with the United States in all agricultural produce, I may offer a few explanations as to how it would affect the interests of our Canadian fruit growers and particularly our growers of apples. The district I represent is yearly becoming more largely engaged in orcharding. In this, as in many other sections of Canada, the apple business is being rapidly improved by co-operation of the growers in the care of their orchards and the marketing of their fruit; the recognized superior quality of our fruit guarantees that with expert methods we can more than hold our own in open market. In the county of Norfolk we have a co-operative association engaged in the handling of apples. This association was organized five years ago and in 1910, even with the short crop, it sold nine times the quan-

tity of fruit handled in the first year it was organized. The prospects for further development of the apple business in Ontario, under the co-operative system, are very bright indeed.

But while the business of apple-growing is profitable to-day its extension would be promoted by the opening of wider markets. The Republic to the south with a population of ninety millions or so and a rapidly growing demand for all kinds of food products would be an excellent additional market for our fruit. Even in the face of the duty prevailing, the shipments from our association this past year to the United States were 6,000 barrels, while 25,000 barrels went to the Northwest and 5,000 barrels to England and Scotland. Had there been free trade in apples we would have been able to sell our whole crop 50 cents a barrel better than we did. There are varieties of apples, such as Greenings, Belleflower and Talmon Sweets which are not wanted at all in the Northwest but are readily taken at a good price in the United States. Apart from this there are localities in Canada which could import American fruit to advantage, and many sections in the United States which could use our *fruit to even greater advantage.* In years of scarcity the Canadian West would like to draw upon the Pacific Coast fruit more largely than it does, while in seasons of heavy production we would be greatly benefited by an additional market. This illustrates the advantage of reciprocity.

At present the Canadian applegrower is discriminated against. The United States tariff on apples is 75 cents a barrel, while American apple growers shipping into Canada have to pay only 40 cents a barrel duty. This is unfair and I respectfully ask, on behalf of Canadian fruit growers, that you as representatives of the Canadian people will endeavour in any reciprocal trade negotiations to have the American fruit tariff lowered to at least the same figure as the Canadian tariff. Further than this, we would welcome and request a complete withdrawal of all duties on apples entering either country. *Reciprocity in apples would benefit consumer and producer alike.*

Mr. McCuaig.—The next gentleman I have to call upon is Mr. S. C. Parker, of Nova Scotia.

Mr. S. C. Parker read the following paper:—

The Right Honourable Sir Wilfrid Laurier, Prime Minister of Canada, the Members of the Government, and the Members of the House of Commons:

I have the honour to speak for the fruit-growing interests of Nova Scotia.

Our industry is rapidly growing, with increasing production we see the importance of as wide a distribution as possible. We are convinced that a fair measure of reciprocal trade with our neighbour at the south would be of immense advantage to all our horticultural interests. Of even more importance is our trade with Great Britain. That country is our best customer and any preference looking toward increase of trade with the mother country, will certainly improve our industrial condition.

Mr. McCuaig.—There is another gentleman, Mr. Sellar, of Huntingdon, Que., whom we would like to call upon.

Mr. Robert Sellar.—Sir Wilfrid Laurier and gentlemen: These farmers whom you see before you differ from every other industrial class. They work with the Almighty; what they produce is in partnership with him. And when they have grown their product, when they have raised, by infinite labour and patient skill, what they have to sell in order that they may live, is it just that a part of that produce be taken by any other class in the community? It is not a mere matter of favour that we come to ask of you to-day; it is a matter of justice. Are these men who fill these galleries forever to go on toiling and paying tribute to some favoured class or not? They have not come here in vain: these men have travelled over two thousand miles to lay their case before you, and I tell you that at their meeting

yesterday they unfurled a banner which will not be furled again until they have obtained their ends. We were in this House last night, and heard a lovely young man pleading the cause of the big fellows who work for the government by day's work, that they should only work eight hours a day. Why, that young man might go and learn that this morning thousands of delicate women had left their beds before daylight to go to cold stables and milk the cows. I estimate that, at a low calculation, every farmer pays from $100 to $300 a year in protective duties. Do you mean to tell me that, if these farmers had this amount of from $100 to $300—it is not much, perhaps, in the eyes of manufacturers or monopolists, but a hundred dollars to a farmer is worth a thousand to any other class—would not these farmers and their families get more ease? Are there not thousands of women on the lonesome prairie who would make good use of that money and make life more agreeable for themselves? Well, sir, we say that these men are not going to submit any longer to pay tribute to any class. They say they are not going to be put off; that they come here for justice and justice they will have. And in saying this, these men are loyal. We do not ask for defence against our neighbours. We do not say that loyalty consists in hating our neighbours to the south of us. But we say that loyalty is in the bosoms of these people, and that for the Motherland they would die to a man before they would see her subjected to German power.

I am not going to trespass upon your time. I am pleading that these men may have justice; that they may go back to their families feeling that they have made themselves heard in this Dominion for once in their lives, and this cause is not going to rest now but will go on and go on until, as I have said, the banner they unfurled yesterday is planted on the ruins of protectionism.

Mr. McCraig.—I now, Sir Wilfrid, call on the last speaker to address you on this memorable occasion. I call upon Mr. R. McKenzie, secretary of the Manitoba Grain Growers' Association.

Mr. R. McKenzie read the following paper:—

To the Right Honourable Sir Wilfrid Laurier, Prime Minister of Canada and the Members of the Government, and the Members of the House of Commons:

When the people of Canada adopted the principle of protection in their customs tariff of 1878, it was with the clear understanding that when the protected industries had had time to develop and get firmly established, the protection would be withdrawn and the people relieved of any further taxation for the benefit of industry. The election of 1896 was largely decided on this issue and the people returned to power a government committed to the elimination of the protective principle from the tariff and the placing of our customs duty on a purely revenue basis. Although the tariff schedule of 1897 afforded some relief, the farmers of Canada were disappointed in the measure of relief afforded by it. Under the impression that the expected reduction was not abandoned by the government, but only postponed, they deferred making any strong objection. The revision of 1907 largely disabused their minds in this respect, and, notwithstanding the strong representation made to the Tariff Commission which investigated the operation of the tariff previous to the revision of 1907, the schedule resulting, although providing for a small reduction in a few items, worked out, upon the whole, to afford more protection to the manufacturing industries.

The tariff schedule of 1907 contains 711 items, 221 of which are free. Of these free items, farmers get the benefit of free binder twine, cream separators, and corn for feeding purposes. Practically all the other free items are raw material used by manufacturers in their manufactures. In addition to that, since the revision of 1907, some twenty items have been placed on the free list, and the duty reduced on thirteen others, by order in council. Practically all these reductions have been on raw materials used by manufacturers. As farmers we do not object to the principle of permitting

raw material used by manufacturers to be imported free of duty. We believe that it is sound and that the best interests of the community are served by permitting the manufacturer to get his raw material where he can get it cheapest, free from restrictions of any kind. But, we do object to a tariff which, while giving them this just privilege permits them to levy unjustly a heavy tribute off the people who use their goods, by the higher prices they are enabled to charge through the power given them by the custom tariff.

Advocates of protection base their contentions on the ground:—

1. That the levying of customs duties is the best method of collecting revenue to meet the requirements of government.

2. That it affords labour for wage earners, thus providing maintenance for centres of population in towns and cities.

The method which has hitherto been pursued in this country of collecting revenue through customs duties, by virtue of which one group of individuals is placed in a position where they can levy toll upon their neighbours, is inherently unsound. It is so, because it destroys the balance of equity in taxation. 'By virtue of what principle will you tax the farmer in order to give work to the working man: On what principle will you tax the working man in order to give better prices to the farmer.'

Sir Richard Cartwright, than whom there is no better authority in Canada on statistics and fiscal questions, is credited with making the statement, in 1893, that 'if you add together the sum that has been paid into the treasury and the largest sum that has been extracted from the pockets of the people for the benefit of a few private and favoured individuals, you will find that the total for the last fourteen years is hardly less than $1,000,000,000.'

You, Sir, have also been credited with a statement made about the same time, that "for every dollar that goes into the Dominion Treasury, two or three dollars go into the pockets of the manufacturers,' and almost every farmer in Canada will agree with you in this statement, even if some of them differ with you upon other public questions.

According to the census of 1908, there were agricultural implements manufactured in Canada, in the year previous, to the value of $12,835,745, of which $2,342,826 worth were exported, leaving for home consumption, $10,492,919. There were imported that year, $1,593,914 worth of implements, on which the government collected a duty to the extent of 20 per cent, or $318,782. It is now conceded that the manufacturer adds to the selling price of his commodity the total amount of the protection granted him by the customs duty. The farmers of Canada thus paid the government that year, $318,782, and to the manufacturers of farming implements, $2,098,383. Of leather we used of domestic manufacture, $13,394,416 worth; we imported $901,197 worth, on which we paid a duty to the government of $157,709, and through enhanced prices paid the manufacturers $2,344,022. Boots and shoes manufactured in Canada amounted to $20,264,686. We imported $1,178,749 worth, on which we paid the government a duty of $353,600, and paid the manufacturers, $6,079,405. Cement, an article that is now being used very extensively in Canada, practically every farmer who does any building making use of it to some extent, carries protection to the extent of 33⅓ per cent. In 1909 there was manufactured in Canada, $5,266,008 worth of cement. We imported $475,676 worth, on which the government collected a duty of $159,077, and we paid to the Canadian merger that controls the manufacture of that article, $1,755,336. The same thing applies to woollens, cottons, cutlery, but why go further? On these several items enumerated above, alone, the people pay a revenue to the government of $989,168, and the very large sum of $12,277,146 into the treasury of the manufacturers of these commodities. The taxes paid by the people on these commodities are approximately in the following proportion: For every $100 farmers are taxed by reason of the customs duty on agricultural implements, the government gets $14 and the manufacturer $86. On cement the government gets $8 and the manufacturer

gets $92. On boots and shoes the government gets $6 and the manufacturers $94. On leather the government receives $6 and the manufacturer $94.

In the early days of the National Policy the taxes imposed by the customs duty were modified to some extent by competition between domestic manufacturers. Of recent years they have practically eliminated that competition by the formation of mergers. The different companies engaged in the same line of manufacture have been absorbed by the larger companies. Since January, 1909, twenty industrial amalgamations have been consummated in Canada, absorbing one hundred and thirty-five individual companies. While in each case the capitalization of the merged concern is very much larger than the total capital of the absorbed companies, it is rarely that any of this additional capital enters into the business of the new concern. The huge capitalization enables the organization concerned to conceal from the general public, in a measure, the large tribute they are enabled to impose on the consumers of their manufactured goods by reason of the customs duty.

The argument is frequently made that the government must maintain the present high customs duty in order to protect capital invested in manufacturing industries. In other words, capital invested in agriculture must, by statute, be compelled to pay tribute to capital invested in manufacturing industries. On what principle of justice can a government give a man who invests $100,000 in any industry, the privilege of levying a tax on ten men who invest $10,000 each in land, to develop the natural wealth of the country? It is often said by advocates of the protective system that we must maintain a customs duty in order to encourage capital to come to Canada. This policy maintained by our government since 1878 has had a most detrimental effect on the development of agriculture, and the investment of capital in the production of farm crops, and it is yearly becoming more apparent, due to the fact that money invested in industrial and other securities yields a greater revenue than that invested in the industry of agriculture, that many of our most progressive farmers are disposing of their farms to come and live in the towns and cities, investing the proceeds of the sale of their land in other securities, endeavouring to supplement this by entering into competition with wage earners in those centres of population.

According to the census of 1901 the total capital invested in the agricultural industry was $1,787,102,630 not including working capital; that is, capital used. After deducting the charge of labour and rent, the surplus for the year's operations is placed at $331,542,546, or 18·55 per cent of the capital invested, allowing nothing for the working capital, the farmer's own labour, or that of the members of his family, or his raw material. Had the wages of the farmer and the adult members of his family been reckoned at the usual wage of a day labourer, there would have been nothing left for interest on this very large capital. On the other hand, the industry of manufacturing invested, including the working capital, a total of $446,916,487. After allowing for the cost of raw material, the rent of offices and work, the cost of wages, salary, power, heat, fuel, light, taxes, totalling $392,475, the surplus netted 19·82 per cent of that capital. Speaking for the west, we have no hesitation in saying that this economic condition seriously affects progress in the development of farm lands in the older districts where land has made a rapid advance in price, farmers are disposing of their holdings and moving into the towns and investing the proceeds of their sale as indicated above. In the majority of cases, although there are exceptions, the purchasers of these farms have only a limited capital and frequently the largest proportion of the purchase money is carried on a mortgage. The increased cost of living and of conducting his operations, due to the exactions of a protective tariff, so disables him that there are often seasons when he can pay no more than his interest on this principal, which condition denies him the opportunity of material comfort, culture and education that by right belongs to him as much as to any one else, besides preventing him from improving his holdings.

The census of 1906 shows that in 1905 there were 122,398 farms in the provinces of Manitoba, Saskatchewan and Alberta. The reports of the Department of the Interior indicate that up to the 30th June, 1905, 199,978 homestead entries were made, and that year 112,779 patents were issued. In addition to this, for the three years previous to 1905, 72,129 entries were made for homesteads, indicating that of the homestead entries and patents issued up until 1905, 62,000 have either disposed of their patents or did not take possession of their homesteads. Previous to that date, there were disposed of, by railway companies and others who had received subsidies of land from the government of Canada, upwards of 11,500,000 acres of land, a percentage of the purchasers of which would be securing the land for the purpose of making a home. So that the number above indicated as abandoning or selling their holding would be very largely increased. During that period, which was one of the most successful periods that the West has ever experienced, the urban population of those three provinces increased in a much larger ratio than the rural population. In 1901 the ratio of urban to the total population was 24·72 per cent, and in 1906 it increased to 30·25 per cent. The ratio of urban to the total population increased more in Manitoba than in the other two provinces although there was a marked increase in all three. The statement made that the increase in the urban and the decrease in the farm population in Ontario, is largely due to the attractiveness of the fertile soil of the prairie farms, yet, notwithstanding the many and great advantages that the prairie farm has over the farms of the older provinces and notwithstanding the fact that practically the only resources of these western provinces are the products of the soil, in the face of all this, the urban population is growing more rapidly than the rural. The only logical reason that can be advanced for such an undesirable situation is, that owing to the high cost of living, and the high cost of the necessary equipment, due very largely to the unjust tariff, the farmer finds it difficult to make ends meet, and seeks to change his calling in the hope of doing better.

The other argument that the growth of towns and cities is dependent on manufactures being established in these centres of population, is also discredited by the experience of the western provinces. Practically the only manufactories in those provinces are establishments for the manufacture of food products, slaughter houses and meat packing houses, mills for the manufacture of lumber, and timber products, printing and publishing houses, none of which are dependent for their existence on the maintenace of the protective system.

The doctrine that manufacturing establishments cannot exist and that cities and towns cannot prosper without protection is untenable. That the fathering care of the National Policy has brought into existence manufactories in Canada, may be admitted, but it is also true that industries of that character which have to be bolstered up at the expense of the people, while it may add to the wealth of the individual adds nothing to the wealth of the nation. The census of 1906 gives the total of the products manufactured in Canada in 1905 in establishments employing five hands and over as $706,446,578. The average duty on dutiable imports for 1905 was 27·692 per cent. If we assume that the manufacturers added this to the selling price of their products, amounting to upwards of $706,000,000, the tribute they collected from the consumers of manufactured goods in Canada was that year upwards of $190,000,000. The total salary paid by manufacturers in all Canada in 1905 was $162,155,578, or upwards of $28,000,000 less than the extra profits they made due to custom duties off the Canadian people on their manufactured product. In other words, if the people of Canada had paid all the salary of the employees of manufactories for that year, they would still have had $28,000,000 left to contribute to the revenue of the country from the excess prices they had paid due to the tariff. But further, the urban population in Canada in 1901 was 2,021,799. Of those there were employed in manufacturing establishments 226,663 men over sixteen years of age; 61,220

women, sixteen years and over, and 12,143 children under sixteen years, or a total of 300,026 employees. The rest of the urban population who were engaged in the business of distributing, transporting, financial and other interests were in no way benefited by protection in customs duties.

It is a foolish fallacy that our manufacturers in Canada depend for their existence on the continuance of the protective tariff. Our largest and most important industries that are classified as manufactories, such as establishments engaged in the production of food products, such as bakeries, butter and cheese factories, flour and grist mills, slaughtering and meat packing establishments, fruit and vegetable canning, and various others which may be regarded as indigenous to Canada, may safely be depended upon as being quite capable of meeting any competition from outside sources if our markets were thrown open.

As already stated, the tariff of 1897 afforded some relief, although the supporters of a lower tariff were disappointed that the reduction had not gone a good deal further. However, they rested on the assurance that a beginning was made and that a decrease in the taxation of customs duties would continue at intervals and that the expected revenue tariff was not to be abandoned by the grvernment, but only postponed. After fourteen years of waiting a careful study of the tariff schedule indicates that due to a constant rise in value that began in 1896, on all classes of dutiable goods, the people are now actually paying more duty on the commodities they purchase than in 1896. In the interval farmers and general consumers have been organizing and getting familiar with the extent of the taxation imposed upon them by the tariff. They have observed that since the revision of 1907, the privileges granted to manufacturers under the custom duty is being extended without any compensating relief to consumers. Many people are leaving the older districts in the other provinces, some getting tired of urban life, and many also from older countries are endeavouring to establish themselves on the western prairies, the larger proportion of them having very little capital excepting their physical strength and relying upon the products of their labour to build up for themselves homes on land so generously provided them by the Canadian government, find that, through the exactions of transportation and the oppressive customs tariff, the cost of living and maintaining a home, is advanced from 25 to 30 per cent. That is to say, that for every dollar's worth of goods the farmer on his homestead has to buy, the customs duty adds from 25 to 30 cents. The staple product of western farms is wheat and the purchasing power of a bushel of wheat is reduced 25 per cent by our fiscal system. The average price of wheat to the western farmer this year will be approximately 75 cents per bushel. Seventy-five per cent of the proceeds of the sale of wheat goes towards the purchase of home comforts and to farm improvements, every dollar of which is reduced in value 25 per cent. That is to say, that every bushel of wheat we raise is reduced in its purchasing power by fifteen cents on account of the operation of the customs duty.

An argument that is commonly used is that a customs duty must be maintained in order to provide a revenue for furnishing transportation facilities for the distribution of farm crops, and that it is necessary in order that the government should continue to improve transportation facilities for the handling of the products of the western prairies, to continue the present customs duty; and that farmers in resisting the imposition of these duties are ungrateful on the ground that all the people of Canada are subject to these customs duties for the special benefit of the farming community in this respect. That the government of Canada has, in the past, expended large sums of money in providing transportation facilities, all readily agree. But it must also be conceded by those who hold the views above stated, that the general business of Canada receives just as much benefit from the development incident to providing proper transportation facilities for the newer districts, as the farmers. And who derives more benefit from these improved transportation facilities than our manufacturers? Yet, we find that they strenuously oppose contributing anything to

the revenue from customs duties on the material they import. It is also put forth for an argument that the government must continue the customs duty to provide revenue to still further improve the means of transportation from the western prairies to the seaboard, by developing of canals, &c., and the argument is made that by so doing the price of western grain will be enhanced from 1½ to 2 cents per bushel, all of which will go to the benefit of the farmers. To us it seems folly to continue a system which, as shown above, reduces the purchasing power of a bushel of wheat 15 cents in order that the government may create conditions which will increase the price of a bushel of wheat from 1½ to 2 cents.

The declared policy of the government is to impose duty for revenue purposes, and that protection is only incidental. The logical inference would be, therefore, that when, through the operation of the customs duty, an article ceased to produce revenue to any extent by reason of the domestic manufacturers getting complete control of the output, the government should remove the protection. And further, since the government imposes customs duties only for the purpose of producing revenue to meet the cost of government, just as soon as there is a material and continued surplus from year to year, the government, if they would follow their declared policy, will reduce the customs duties. Canada has reached that stage now. We have had for several years a very good surplus which this year has been stated by the press to approximate $30,000,000. Why, inasmuch as the necessities of the revenue do not require the imposition of so much taxation, does the government not carry out this declared policy of reducing the customs duty to the requirements of the revenue.

We attach hereto, a list showing the revenue produced for the year ending March 31, 1910, on articles which the farmers request to be placed on the free list. You will notice that the total revenue produced by the duty on agricultural implements as classified in the Trade and Navigation returns as 'Agricultural Implements, n.o.p.' amounts to only $529,299.48. This amount is quite insignificant when compared with the amount which the tariff schedule enables the implement manufacturer to impose on the farmer. The same applies to buggies and carriages. On cutters the revenue produced last year was $328.65. There are very large numbers of cutters used in Canada and all of them are increased in value by 35 per cent on account of this custom duty. On sleighs the duty collected by the government was $4,539.39. These are articles which every farmer in Canada uses and on which he must pay to the manufacturer an addition in price of 35 per cent.

The same applies to portable engines, threshing machines and wagons. On all farm implements, including buggies, carriages and sleighs, threshing machines, &c., the government collected duty to the amount of $1,218,983.38.

Were all these items enumerated in our resolution placed on the free list, the government would lose, based on the revenue for the year ending March 31, 1910, $2,500,000, and should the British preference be increased to 50 per cent, the loss to the revenue based on the importations of the fiscal year ending March 31, 1910, would be approximately $4,500,000, so that the total amount of revenue lost to the government due to the reduction demanded by the farmers' resolution as set forth above would amount to approximately $7,500,000. If, as is stated, the surplus this year will amount to $30,000,000, it would leave a surplus of $22,000,000, a very respectable amount. So that the proposed reduction would in no way embarrass the government in the conduct of the business of the country.

Believing as we do, that the provision for revenue by customs duty is economically and morally wrong, we desire that free trade be established between Britain and Canada in as short a time as possible, without unduly disarranging existing business conditions. We therefore ask that the British preference be increased all round at the present session to 50 per cent, and that an additional increase of 5 per cent each year be given until we have free trade between Britain and Canada. We do not ask for any preference in the British market for our products in return, since we regard free

trade between Canada and Great Britain as being in the best interest of the development of Canada; nor do we suggest or desire that Britain should tax foreign foodstuffs for our benefit. A certain section of the Canadian people loudly proclaim their loyalty and attachment to the British empire. Apparently their loyalty consists in raising a tariff wall against British manufacturers that will enable the Canadian manufacturers to impose a tribute on the rest of the Canadian people, and as an offset to the producers of foodstuffs in Canada, that a tax should be placed by the British people on their foodstuffs from foreign lands. In other words, their loyalty consists in having the British manufacturer taxed in the interest of the Canadian manufacturer, and the foodstuffs of the British artisan taxed for the benefit of the Canadian farmer. Canadian farmers recognize the protection afforded our country by the motherland, and they are willing to do their part in the maintenance of the British empire by supplying the British people with the food products they require in open competition with any other country in the world. If our own government will relieve the unjust tax imposed upon Canadian farmers by the customs duty, they would be quite able to compete in the British market with any other country in the world in the supply of cereals and farm products.

The adoption of free trade between Canada and Great Britain would necessarily cause a loss to the revenue of a considerable amount and our resolution suggests that the necessary revenue should be made up by some system of direct taxation.

In asking for these changes in our customs tariff we believe that we have asked for nothing but what is just and what is in the interest of the best depelopment of our country. Our farmers have been the pioneers in the development of the land. They have gone to the frontiers of civilization when the road was dark and discouragements were great. They have struggled against monopoly in many of its phases. They have found it necessary to organize, and have their organization as perfect as possible. The farmers present here to-day have come at great expense. They have done so because they desire their wishes to be made known at the fountain head where our laws are made. They represent 50,000 of the best farmers of the Dominion and can justly claim to represent the farming industry of this country. We make our requests as reasonable men. Whether they are granted by this parliament or not, the educational work will still go on and the principles we have outlined here must ultimately triumph. Our country is in the infancy of its development. It is our duty and the duty of the representatives who sit within these halls, to see that special privilege is afforded to none and that our laws are based alone on justice to all. The farmers of Canada desire that the principle underlying our laws should be that contained in the words of one of the greatest Americans of the last century—'That we should do unto others as we would have them do unto us; that we should respect their rights as scrupulously as we would have our rights respected, is not a mere counsel of perfection to individuals, but it is the law to which we must conform social institutions and national policy if we would secure the blessings of abundance and peace.'

Sir Wilfrid Laurier (Prime Minister).—Mr. McCuaig and gentlemen of the delegation: permit me, at the very outset, on behalf of the government and on behalf of parliament on both sides of the House, for which, I think, on this occasion and for this purpose I can speak——

Mr. R. L. Borden, leader of the opposition, hear, hear.

Sir Wilfrid Laurier—to express to you the gratification it affords us to see before us such a representative delegation as we have here, and to acknowledge also the profit with which we have listened to the expression of your views, even if we do not share those views in their entirety. When I came here this morning, I thought we were coming to receive a delegation from the west. But I understand from your remarks that the delegation we have before us represents all the agricultural interests of Canada, of the east as well as of the west. But you will perhaps permit me to observe

that it seems to me that, though the delegation represents the agricultural interests of the whole of Canada, it is the western spirit which pervades it. I am not surprised at that, nor do I complain of it, because we in the east are prepared for the domination of the west at a very early day. Also, we have always understood that in the west ideas are far more radical than they are in the east. At least, I have believed so, judging, as I have judged of late and for some time past, by the expressions of opinion which have come to me from all parts of Canada. I think that in this I speak correctly, and that you will not deny the impeachment, if such it be, that, in the west, your ideas are far more advanced than are those of the east. As I say, I do not complain of this, but simply place it as a basis of fact. The resolutions you have put before us are certainly impregnated with the western spirit. Nor do I believe the farmers of the east are prepared to go quite so far as you gentlemen of the west. You are in favour, as I understood, of the government ownership and operation of all public utilities,—of railways, abattoirs and of elevators. As to this, I have nothing to say at present. The idea, may, perhaps, be a good one. I understand that you have started a campaign of education, and, perhaps, I may be the first to be educated in that respect, because, up to this time, I have not been an absoluately ardent supporter of government ownership and operation of all public utilities. To government ownership I may be persuaded; to government operation I may pe persuaded also, but with greater difficulty. In this, I am a man of the east.

If I am to judge of the importance which you attach to the different resolutions you have placed before us by the number of speakers who have addressed themselves to each, I conclude that it is to the terminal elevators and the tariff that you attach the greatest importance. It is these ideas which have received the greatest support of this delegation. I have listened with care to the statements which have been made by the farmers here represented, and the grievances which they have to present; and I am proud to believe that, after all, even though in Canada at present things are not as perfect as they ought to be, still, after all, they are not too bad. I listened with great interest—as everybody did, I am sure—to the very admirable paper presented by Mr. Green. If I understood him aright, he stated that the delegation here present represented agricultural wealth in the western provinces to the amount of at least $300,000,000. Well, if we reflect that the farmers who are here from the western prairies and those whom they represent have been in the west, in their present homes, not more, on the average, than twenty years, we cannot but think that, to have accumulated wealth to the amount of $300,000,000, does not argue a very bad condition of things after all. And if we reflect that Mr. Green also stated that the actual accumulated wealth of all the farmers of the western prairies is $1,500,000,000, I still repeat that, though things are not so good as they might be, they are not so very bad. And where shall we find things as well as they ought to be? That cannot be found on this planet. And even in Canada, which is, in my opinion, a well governed country, there is room for improvement, I admit.

Now, what is to be the nature of the improvement? With regard to the tariff, you have suggested to us that the first thing we should try to get is a treaty of reciprocity with our neighbours.

Mr. Drury.—I think you are misinformed, Sir Wilfrid, as to the contents of our recommendation. I expressly stated——

Sir Wilfrid Laurier.—I understand that what is proposed is closer commercial relations with our neighbours—whether by treaty or concurrent legislation is another matter; I suppose you would rather have it in the form of a treaty than not to have it at all. If what you have in view is better commercial relations with the United States, we are at one with you. I am happy to say that at this moment we are negotiating with the American authorities to do this very thing which you ask for—to improve our commercial relations with our neighbours. But I must say to you that this is not so easy as you may suppose. We are speaking frankly here, and it is

not so easy as one of the speakers stated. There is in this country, in some sections of the community, a very strong opposition to any change in our present commercial relations with our neighbours. For my part, I do not share this view; my colleagues do not share this view. I think that if we can improve the relation in the direction of having more markets for natural products and farm products, the country will be immensely benefited. Let us speak with perfect frankness here—and I would not speak otherwise—any change in our trade relations with regard to manufactured products is a more difficult matter. There are difficulties in this which no government can ignore; and we are not ignoring them. But, at all events, we see our goal, and in this our goal is very much in your own direction. But you go further and say that in this particular session we should commence to amend the tariff also. I suggest to you that, as practical legislators, it would be hardly advisable for the parliament of Canada to undertake this session to revise the tariff while our negotiations are pending with our neighbours. Upon this, I will say no more. But there is one view which you have expressed which it is the object of the government to carry out and on which the government will respond to your views in full as you have expressed them. That is, whatever we do with our neighbours, whatever we may be able to accomplish with them, nothing that we do shall in any way impair or affect the British preference. That remains a cardinal feature of our policy.

The hour is advanced, and I cannot give more detailed information upon this point at this moment.

I come now to the resolution to which, as I said a moment ago, you seemed to attach as great importance as to the tariff resolution—I mean the resolution with regard to the terminal elevators. Here, also, I am glad to say, in principle, I agree with you. It has been recognized that the farmers of the west have a grievance in the condition of things prevailing at this moment. Where shall we seek a remedy? Well, my colleague and friend, the Minister of Trade and Commerce, Sir Richard Cartwright, has been giving his attention to this matter, and has a Bill on the subject already prepared. When I was in the West last summer, I stated to the different delegations of the Grain Growers' Association, who did me the honour to interview me and my colleagues, that we would not submit any legislation to parliament relating to this matter until we had an opportunity of discussing it with the Grain Growers' Association. Accordingly, some time ago I invited the Grain Growers' Associations of Manitoba, Saskatchewan and Alberta, to send delegates to Ottawa to confer with us, so that we might prepare that Bill. I am happy to say that they are here to-day to assist us in the preparation of that legislation. Now, you say, the only remedy available is the government ownership of the terminal elevators at Port Arthur and Fort William. That may be the case; I have no final opinion to express at the present time. But I would go further and ask you if the root of the problem does not go even deeper than you have suggested. I agree altogether with the remarks of Capt. Richardson when he said that what we want is to keep up the character of our grain in Europe. That is the object we have in view. Will this object be attained by merely looking after the elevators at Port Arthur and Fort William? If the ship loaded at Port Arthur or Fort William could deliver its cargo at Liverpool, the problem would be solved—you would preserve the character of your grain until it reached the ultimate market. But, of course, when a ship leaves Port Arthur or Fort William, it does not deliver its cargo at Liverpool. It may deliver it at Buffalo; it may deliver it at Port Colborne. There it has to be unloaded. If it is to go to Montreal, it has to be again unloaded and reloaded. The grain may leave perfectly pure from Port Arthur or Fort William, but when it goes into the elevator at Buffalo it may be degraded and reach Europe in a considerably changed condition. The problem, therefore, is to look after the character of the grain, not only at Port Arthur and Fort William, but down to the very point where the ship is loaded to clear for Liverpool. When the grain is delivered at Buffalo, we have no control over it. We

hand it over to the control of our American friends. It was stated by Capt. Richardson that the Minnesota operator has transferred his usefulness—or want of usefulness—to Port Arthur. He could as easily transfer it to Buffalo and do there what he is doing at Port Arthur. But when we can carry our grain in Canada to Montreal, and load it on the ship at Montreal, and see that it leaves that port as it left Winnipeg, we shall have solved the problem. So it comes to this: It will not be sufficient, in my humble judgment, to look after the elevators at Port Arthur and Fort William, but you must look after the elevators at Port Colborne and Montreal where the same operation that is complained of can take place. That is the problem we have before us. That problem will be solved, if we can so improve the carriage of grain on the St. Lawrence route that it will not be possible to divert it to American channels. This can be done only in two ways. We can improve the St. Lawrence, and we can provide also a route through the Ottawa, which is the shortest of all the routes between east and west. When we are able to accomplish this, I think we shall have solved the problem in a better way than that suggested here. At all events, I offer you this suggestion to-day.

I am glad we have here the representatives of the Grain Growers' Association who are helping us to frame legislation. That legislation was mentioned in the Speech from the Throne, and it is to be brought before parliament.

As the hour is late, I hope you will excuse me if I do not deal with the other problems you have mentioned. Let me say one word only with regard to the Hudson Bay railway. We are prepared to go on with the Hudson Bay railway at this moment. We will give due consideration to your representaations. Government ownership, as I said a moment ago, is not altogether in my line. But I think I can go that far. Government operation is a matter as to which we shall give all due weight to your representations.

REPORT OF PROCEEDINGS

OF THE

DEPUTATION OF FRUIT AND VEGETABLE GROWERS

IN THE HEARING OF SIR WILFRID LAURIER AND PARLIAMENT, FEBRUARY 10, 1911

Also Memorandum Presented by the Meat Packers of Ontario and Quebec at a Meeting held with Members of the Government on Monday, February 13, 1911.

PRINTED BY ORDER OF PARLIAMENT

OTTAWA
PRINTED BY C. H. PARMELEE, PRINTER TO THE KING'S MOST EXCELLENT MAJESTY
1911

[No. 113*a* 113*b*—1911]

CONTENTS.

	Page.
Introduction by Mr. W. O. Sealey, M.P.	5
Mr. D. Johnson	5
Mr. Bunting, St. Catharines	6
Mr. A. W. Peart, Burlington	11
Mr. Thomas Rowley, Leamington	12
Mr. Thomas Delworth, Weston	15
Mr. John McElvoy, Montreal	17
Mr. E. E. Adams, Leamington	18
Mr. J. D. Fraser, Leamington	19
E. D. Smith, Winona	19
Sir Wilfrid Laurier	21
Memorials and Resolutions—Appendix 1-10	25

HOUSE OF COMMONS,
OTTAWA, CANADA,
FRIDAY, February 10, 1911.

In the Chamber of the House at noon to-day, Rt. Hon. Sir Wilfrid Laurier, Prime Minister, Hon. W. S. Fielding, Minister of Finance, and Hon. William Paterson, Minister of Customs, received a deputation of fruit growers and market gardeners, who presented their views in regard to the proposed tariff agreement between Canada and the United States.

Mr. W. O. SEALY, M.P. (Wentworth).—Sir Wilfrid Laurier and Members of the Cabinet, I introduce to you, Mr. D. Johnson, president of the Ontario Fruit Growers' Association, and head of this magnificent deputation which has come here to-day, at considerable inconvenience and expense to themselves, to lay before you their ideas and wishes with regard to the proposed new reciprocity regulations between Canada and the United States.

Mr. D. JOHNSON, *President of the Fruit Growers' Association.*—Sir Wilfrid Laurier and honoured gentlemen.—On behalf of the Fruit Growers of Ontario and the Vegetable Growers of Ontario, I wish to read to you this memorial:—

To the Right Honourable Sir Wilfrid Laurier, Honourable Members of the Cabinet, Honourable Members of the House of Commons and Honourable Senators of Canada:

THIS MEMORIAL presented by the Fruit and Vegetable Growers of the province of Ontario,

HUMBLY SHEWETH:

WHEREAS the Government of Canada has for many years fostered and encouraged the development of fruit and vegetable growing in this Dominion, and has (evidenced by their action in the past) been largely guided by the views and opinions of many prominent men and organizations in close touch with the conditions surrounding these industries, and has given such assistance as has resulted in great activity and progress in the extension of orchards and vineyards, producing a rapidly increasing supply of Canadian fruits;

AND WHEREAS in connection with this movement systems of transportation have been developed along certain lines and an extensive campaign has been undertaken to supply every part of Canada with seasonable fruits at moderate prices;

AND WHEREAS the attention of the outside world has been drawn to this country, largely through the medium of the fruit industry, whereby many thousands of new settlers from Great Britain and other countries have been induced to invest their capital in fruit lands;

AND WHEREAS it is desirable to encourage rather than discourage the increase and sub-division of our extensive areas of valuable fruit lands, settling them with a thrifty and intelligent population;

AND WHEREAS the government proposes to admit American tender fruits and vegetables free of duty, of the varieties grown in Canada;

AND WHEREAS we believe that such action will most seriously upset present conditions and compel Canadian growers to seek other markets to their great detriment and financial loss;

AND WHEREAS there has never been, nor from the conditions surrounding the industry, are likely to be any combines of the scattered interests of these fruit growers to advance prices, situated as they are over a wide extent of territory and numbering many tens of thousands of people;

AND WHEREAS many millions of dollars have been invested in this industry, in the firm belief that the present or equally satisfactory duties would continue to be charged upon imported fruits and vegetables;

WE WOULD THEREFORE most earnestly and respectfully request that your government may, after due consideration of the points we have ventured to bring to your notice, and after full inquiry into all the conditions, reconsider the clauses referring to the interchange of fresh fruits and vegetables, and that you may then be enabled to place our industry on a footing commensurate with its great importance to the development of this country.

All of which is respectfully submitted.

D. JOHNSON,
President of the Ontario Fruit Growers' Association.

J. W. SMITH,
President of the Niagara Peninsula Fruit Growers' Association.

Honourable Gentlemen,—On behalf of this Memorial I may say a few words. We have come before you, not for the purpose of criticism but rather to give expression to our claims, which we believe are ours as Canadian citizens. It is the privilege of your government to give free trade to those who wish free trade and protection to those who wish protection. The farmers have asked that you give them free trade; on the other hand the manufacturers have asked that they be protected from American manufacturers. This, also you have granted, but you have forgotten the fruit and vegetable growers of this country and we desire the protection of our government against the Americans. It is unnecessary for me to explain to you that the fruit industry of this country has been largely developed and thousands of people have found in it a revenue. Now, we believe it is the intention of your government to throw down the bars of protection and allow us to suffer because our American competitors can throw their fruit into this country before ours is ripe. We believe that you are prefectly honest and conscientious, and we have no desire to embarrass you but we simply desire that you consider the fruit growers of this country and grant them their request.

Mr. JOHNSON.—I have much pleasure, Sir Wilfrid Laurier and honourable gentlemen of the Canadian cabinet, to introduce to you Mr. Bunting, of St. Catharines, a well-known and influential fruit grower.

Mr. BUNTING.—Sir Wilfrid Laurier and Honourable Gentlemen, with the utmost candor and with feelings of the most profound anxiety on behalf of the fruit and vegetable growers of this country,—a large number of whom are here at considerable personal inconvenience and expense, to attest by their presence and support the importance of this occasion,—I wish to present for your careful consideration certain phases of the proposed tariff changes in so far as we believe they will injuriously affect the fruit industry of Canada. If we have not been as active as the situation warranted in placing before the government the facts and conditions which surround the produc-

tion of fruit and vegetables at an earlier date, we venture the hope that it may not be too late to lay this information before you, and to call your attention to the gravity of the situation.

I might well covet at this time the ability to voice the claims of those for whom I speak, in such a clear and convincing manner and to present such a statement of facts relating to this industry, as to at once appeal to you that my statements are correct, reasonable and beyond contradiction or doubt. My apology for appearing before you in this capacity is the emergency of the case and the fact that having been actively engaged in fruit and vegetable growing in Canada for over thirty years, having seen these industries grow and develop from comparatively small proportions to considerable magnitude, and having taken some share in many movements that have had for their object the advancement of horticulture in Canada, I may fairly claim to have some slight knowledge of conditions that are likely to advance or retard its development. After a careful survey of the whole situation I am forced to the conclusion that the proposed agreement in so far as it affects the tender fruit and vegetable industry of this country, is likely to have a disastrous, and in some cases fatal, effect. Much thought has been exercised and a great deal of assistance has been given in the past by the Department of Agriculture—both federal and provincial—in this country in order that the fruit industry, in common with all the varied activities in which our people are engaged, might become prosperous and of great importance to Canada. Notwithstanding many serious difficulties and disabilities in the way of unfavourable climatic conditions, and the infestation of dangerous diseases and pests which at times have threatened to annihilate the industry in its infancy; these efforts, coupled with the perseverance of the men engaged in it, have been remarkably successful, so that to-day, encouraged by what was popularly supposed to be the settled policy of this country, many thousands of happy, contented and industrious people are busily engaged in producing from their gardens, orchards and vineyards ever increasing quantities of fruits and vegetables of the high quality for which Canada is noted, both at home and in the countries beyond the sea. A dark cloud has, however, suddenly appeared in the horizon and the fruit growers are everywhere anxiously asking each other, What does this portend? On every side the fear is expressed by those best qualified to form an opinion that it means disaster and in many cases destruction of the hopes that for years have been cherished, of being able to own a home free from encumbrance in some one of the gardens of Canada which abound in so many of her beautiful valleys. A feeling of uncertainty and unrest has been aroused, which, even if the cause is removed, will take considerable time to efface. It has been stated that this industry is a comparatively small one, and even if it be adversely affected in these negotiations, it should give way in the general interests of the public at large. I hope to prove to you that it is not by any means small and insignificant, and that if indeed it was of minor importance the proposed sacrifice of it will not in any essential manner benefit the country generally, and would not be undertaken if it applied to any one of many Canadian industries I might mention.

Accurate statistics are not available at present, but the best authorities agree that taking the province of Ontario (for which I am best qualified to speak) there is approximately 200,000 acres of land devoted to the production of tender fruits and vegetables—at least 50,000 persons directly or indirectly engaged in the business, forty millions of capital invested and about 15,000 regular employees—to say nothing of the thousands of extra people employed throughout the busy season from June to October, many of them from the adjacent towns and cities. These figures apply to Ontario alone, and do not include the extensive fruit areas of British Columbia, of which we hear so much and so favourably, nor those of the other provinces of the Dominion. Vast sums are paid out annually to conduct this business, for I desire to point out that fruit growing demands skilled labour, and it is no uncommon thing

for a fruit farmer on twenty acres of land to pay out more in wages annually than does the average farmer on 200 acres of land. He also requires a greater variety of tools and implements, and while his gross income per acre may be larger his annual expenses are also very much greater. He is engaged in manufacturing one of the finished products of this country, one that required the greatest skill, industry and application, and one that sometimes is produced under the greatest difficulties and adverse circumstances. Owing also to the perishable nature of his product it must be placed on the markets at once when mature, and cannot be held for favourable market conditions. This industry has grown up and developed under conditions which have existed for the past twenty-five years and which, as far as the trade policy of this country is concerned, were popularly supposed to be stable and permanent. It required considerable time to prepare for, plant, and produce an orchard of fruit trees, and a number of years must elapse before the fruit grower can hope for any returns for his investment. Should conditions change in the meantime he is helpless to quickly change his methods, or the varieties and kind of fruit he is attempting to supply. One might well ask the question then: Would our government—would any government, calmly contemplate the jeopardizing of any industry in this country of equal magnitude, employing an equal number of people, and paying out equally large sums of money annually in wages, and of equal importance to the country at large—if this industry were engaged in the manufacture of iron or steel products or in the scientific utilization of any other of our many natural resources? I trow not. I believe every care would be exercised over such an industry, and every consideration shown it, and rightly so. We are strongly convinced that similar treatment in this instance will not have been accorded to the fruit industry should this agreement become effective.

I think I am justified in saying that fruit men are intelligent and patriotic; that should the emergency arise, none would be more ready to spend their last dollar, or give up freely every drop of blood in their veins, in their country's cause, if called upon so to do. These men are ready to repeat history at their country's call. They fail to see, however, why they should be singled out in this case and compelled to relinquish prospects and conditions of life that were reasonably satisfactory and prosperous, which have been slowly developed at the expenditure of years of effort and millions of money, and suddenly launched upon a sea of uncertainty and doubt. These men are willing to stand up in a fair field under conditions that are fair and equal, and battle for a livelihood for themselves and their families. But conditions are not equal, and it is not possible for our government to make them exactly equal. The best that can be done is to surround the industry with such safeguards as will at least ameliorate these inequalities and minimize them to as great an extent as possible. Recognizing this principle, the previous government made such regulations as were thought necessary, and these regulations have been continued under the present administration, with such changes and modifications as were shown to be in the public interest. Large investments have been based upon it, and hundreds of people, many of them from the British Isles, the United States, and other countries have taken up fruit and vegetable growing in Canada, influenced very largely by this fact. In this connection I desire to file for consideration a memorial from the Old Country Association, a considerable body of men, who have invested largely in this country, under these circumstances. But what do we find our position to be under the proposed agreement? We are compelled to pay tribute to a greater or less extent on every article that enters into the prosecution of our business; not only so, but also on nearly everything we require in our daily life, or for the comfort of our families, and against such compulsion we have never raised our voice in complaint, but have cheerfully shouldered our share of the burdens of the empire. We are now, however, to be turned loose to dispose of our finished product in competition with a people, our neighbours, it is true, but a people who are practically free from these limitations

and extra costs, and who in addition are vastly helped by modifications and variety of climate, living in a country where there are extensive areas particularly suited for specializing in a large way in all the principal varieties of fruits, which we produce, which land may be procured in many cases at extremely low cost. Cheap labour may also be secured in many such localities, and it is often possible to produce two or three crops in a single season, entirely out of doors. These factors all go to lessen the cost of production and to increase the margin of profit of the more southern grower. In our own country it often requires the greatest care and the use of the most modern plant and appliances to secure even one crop reasonably early in the season. In the fruit and vegetable business it is a clearly understood fact that to be fairly successful one must be able to produce at least a portion of the various crops grown a little in advance of the regular season. The old adage that 'The early bird gets the worm' is peculiarly true of these industries. To this end, the best energies of every progressive fruit and vegetable man are directed, and in proportion as he succeeds in this respect, a large measure of his general prosperity may be estimated.

I have taken the average from my books for the past two seasons in regard to the shipment of early tomatoes and I find that they are about as follows: For the last two weeks of July my average net returns for the ordinary eleven quart basket were 87½ cents per basket; for the last two weeks in August only 15 cents per basket—in both cases including the package. After that time the canning factory price of about 25 cents per bushel prevails, and the great bulk of tomatoes are marketed in that way. Much the same conditions will apply in many other lines. The great bulk of the fruits and vegetables produced in this country, so great is the competition, are disposed of at cost and some times less than cost, and it is to the earlier fruits and vegetables that we look for a margin of profit.

Under the proposed arrangement this will be largely cut off, and in order to recoup ourselves for this loss, we are pointed to a market already supplied to the full and sated by the productions of our more fortunate neighbours. In such products as melons, tomatoes, potatoes, berries, plums, peaches, grapes and early apples the markets will be loaded weeks before our crops are ripe and our early fruits will meet a glutted market in the height of the season, while our later fruits will be like an after season bargain sale—if indeed we can dispose of them at all.

Permit me to present an extract from the Boston *Globe* of January 28, 1911:—

> 'Arthur T. Cummings, ex-president of the Boston Fruit & Produce Exchange, who has laboured a year and a half to bring about reciprocity with Canada, said: "Dealers in green things in New England have nothing to fear from Canadian competition. Reciprocity is going to open a great market for all our New England hothouse stuff. Indeed it will provide an outlet for stuff of all sorts, from Miami, Fla., to California. For all sorts of green stuff reciprocity is what we've been working for and praying for. It is the best thing that could have happened to New England, on that line, anyway.'"

In other words, Mr. Cummings believes that notwithstanding the proximity of such great markets as Boston, New York and Philadelphia, and other large cities that might be mentioned—he not only hails with delight the opportunity of exploiting the Canadian market with the surplus New England products, but also the prospect of being relieved to some extent from the keen competition of the Southern States, which will no doubt flood our Canadian markets.

Under such circumstances as these I believe our own industries will be paralyzed. Our land values will rapidly deteriorate, and what is now a vast area of happy and contented somes of a prosperous people will become a community of discontented and hopeless tillers of the soil, groping in the darkness for a goal which has suddenly become obscured from their view. The progress and development of this industry which has been working out slowly amid great difficulties for many years, but which we trusted was on the high road to a wonderful prosperity, will be sud-

denly stopped and the equity of many a promising and enterprising citizen, who has been led to invest his all in this country in the hope and expectation of stable conditions, will be wiped out. This is a gloomy picture, and some may think it is exaggerated for a purpose, but if time would permit I could call on many in this large gathering of interested men of both political parties who would corroborate what I have stated in more forcible language.

As far as the Canadian consumer is concerned, he will not be greatly benefited, for instead of enjoying a regular and rapidly increasing supply of Canadian fruits and vegetables produced in his own country, he will to a large extent be dependent upon the over-production of southern centres, which cannot be counted upon for a regular and constant supply. It must be admitted that even if our people are obliged to wait for a few days or a week until the Canadian crop is ready, that the satisfaction of obtaining fresh home-grown products will more than compensate for the patience that may be exercised.

With regard to the general prices received by the grower in this country, I do not think that they are essentially higher, in their proper season, than those obtained in the eastern markets of the United States. An investigation of the books of several large growers shows that for the past two years the net returns for No. 1 to choice peaches were not more than 40 to 45 cents per 11-quart basket, and an average of 14 cents per 9-lb. basket for choice grapes of standard varieties. Similar moderate prices in other lines of fruit can also be demonstrated, so that from the standpoint of the Canadian consumer of fruit there is not much to be said in favour of this agreement. If we take the western market, which is opening up so rapidly and to which the eyes of the whole world are turning, as well as those of our neighbours to the south; we have spent many years in an honest determined effort to supply that country with our products in good condition, and at reasonable prices, and are only now beginning to see the result of our efforts. We have been hampered by unlawful combines. Indifferent railway service and excessive charges for carriage to that country has delayed our success. We have, however, broken the back of the one and our excellent Railway Commission has assisted greatly in remedying the other, so that now we are sending our products in ever-increasing quantities to the west, and are in measurable distance of fully supplying that market wth plentiful supplies of our Canadian fruits in their season.

In support of this, permit me to call your attention to the following figures, showing the rapid expansion of this trade during the past few years: In 1904, a sample car of mixed fruit was sent to Winnipeg from St. Catharines shipping station, under the especial care of the Department of Agriculture, in order to settle some questions that were in doubt. This car proved a success. It was followed in 1905 with 28 cars, 44 in 1906, 62 in 1907, 56 in 1908, 130 in 1909 and 264 in 1910. These, be it remembered, from only one shipping point, and there are nearly a dozen in the district. It is estimated that at least 600 cars of mixed tender fruits were sent out to the west from the section between Hamilton and the Niagara river during the past season. We believe not less than 1,000 cars will be the output for 1911 from this one section alone, if the market is not destroyed, and from present appearances this trade should increase rapidly from year to year as time goes on. We have done our share in opening up that country. We have assisted in building the lines of railway that have made the west possible, and now we ask that to some extent at least we may be permitted to continue business with our fellow-countrymen out there on a reasonably safe basis. During the past five years this trade has increased by leaps and bounds until now whole trainloads of fruit are wending their way westward during the season—giving the people of our newer provinces ever increasing supplies of our own fruits. The proposed agreement will stop this movement to a very large extent. Supplies, of a more or less intermittent character will be sent in from southern and western points, when and whenever there is an over-supply in their own markets.

Our Canadian growers will decline to continue to cater to so uncertain a market, where loss and disaster stare them in the face, at any time, and will either engage in some other more promising occupation or else emigrate to some locality where conditions are more favourable.

I might also refer to the maritime provincial trade, which is assuming considerable proportions in the lines of fruit which they do not successfully produce. These shipments are carried largely by our Canadian railways, which we have assisted to build and which are being rapidly extended throughout the west. Should these markets be practically cut off, or made so uncertain as to be useless, as undoubtedly they will, the labour and effort of years in working up this trade will have been largely in vain, and we will find ourselves confined to the local and near by American markets. From a careful survey of the markets of the American cities, owing to our not being able to reach them sufficiently early in the several seasons, we find no inducement for us there with the possible exception of cherries and raspberries, two lines which might possibly be sold to advantage in the United States in occasional seasons.

The style of packages in use, and methods of handling our business are so very different from those that obtain across the line and the fact that it takes years to produce special varieties that are demanded by certain markets, which markets may at any time be as suddenly cut off, makes the fruit growers' position in this respect very uncertain.

Personally, after thirty years building up a business in Canadian territory and with Canadian people, I look with great apprehension on the proposition of being practically compelled to begin life over again under conditions that appear to me to be handicapped at every step of the way. I most sincerely trust, and in this I voice the hope of thousands of Canadian fruit and vegetable growers, that some way may be found to consummate whatever good features may be contained in this trade agreement without it being necessary to sacrifice the interests of the large number of people engaged in the production of fruits and vegetables in this country.

Mr. JOHNSON.—Honourable gentlemen, I have now much pleasure in calling upon and introducing to you Mr. A. W. Peart of Burlington, and who will also speak to you upon this subject.

Mr. A. W. PEART (Burlington).—Sir Wilfrid Laurier; Honourable Members of the Cabinet; Honourable gentlemen on both sides of the House: The Friday succeeding the presentation of the Tariff schedules was dull and clammy and misty in the Burlington district. Dame Nature seemed to be sympathizing with the feeling of the fruit-growers and the vegetable growers of the country. To-day seems to be bright and sunny and Nature seems to sympathize with this deputation, and I am quite sure that Sir Wilfrid Laurier and his cabinet will not be in opposition to the nature of this day. A short time ago a short resolution was passed by the Burlington fruit-growers to the effect that the government be asked to retain the present duties on fruits. This resolution was carried. The Burlington district is fifteen miles deep and fourteen miles long. A large number of fruits and vegetables are grown there—peaches, plums, cherries, grapes, and all the small fruits as well as a great many of the different varieties of vegetables. Large quantities of tomatoes are grown there. It has been estimated that in the Burlington district alone; as we consider the great amount of vegetables and fruits shipped and carried to Hamilton and sold on the market there, and sold elsewhere,—if we consider the amount of fruit sent out by the express companies—the Dominion Express and the Canadian Express—and freight, and also delivered to the canning factories,—it has been estimated that if we put it in car lots of ten tons to the car, there are 1,000 carloads of fruit produced around that district. I therefore submit that the Burlington district should be considered from that point of view. I wish to submit that if the proposed schedules come into effect competition will hardly be equal. Everything we have to buy will be bought practi-

cally in a protected market; that is to say, we would have to sell in the markets, on their open market, but when we have to buy the probabilities are that our raw supplies, such as ploughs and cultivators, &c., would be higher than what they are in the United States and in that way the growers here may be handicapped. I think there is another point of view we might take. It seems to me if we take the trade figures during the past few years—unfortunately I have not got them here—not only during the past three or four, but during the years 1904, 1905 and 1906, and if we consider the balance in trade in fruit such as we grow, it seems to lay against us in the proportion of 2 to 1, and if we take that and consider the population of the United States, which is about 90 millions, and consider our population of 8 millions, it would seem that while we import double in value from them than what they import from us, that for every dollar per head they spend on our fruit we per head spend $22 on imported fruit. Still they with their great capital invested in the fruit business wish to invade our markets. Another thing is this: I have been trying to find out the amount of capital invested in the fruit districts in the United States, leaving out bananas and other tropical fruits, but taking the varieties of fruits we grow in this country. I find this gives me an estimate of some $400,000,000. I do not know how that is; it seems low. They are farther south than we are. The total investment in Canada at the present time appears to be around $100,000,000, and when we consider the fact that our latitude is north of the States, that their population is ten times ours, they would probably have ten times, or twelve times, the amount of capital invested in their business that we have;—however it is very difficult to get at that. I think we may agree their capital is much larger than ours. Here we have two men engaged in turning out the same line of products; one man has a capital four or five times greater than the other man. In the business world it seems there is no heart, no conscience; the tendency seems to be to crush the poor competitor; and it seems to me that would be the result if the proposed schedules were passed.

Another matter that has been touched upon is that the season is earlier. It seems to me there is a great deal in that. A great quantity of strawberries are grown in this province. Probably half of the small fruits are strawberries. Their season is earlier than ours—perhaps a week or two earlier than ours. When our early berries are ready their main crop is on the market and they will get the cream of the market and we get what is left; and when our strawberries are on the market their strawberries are on the market; and it seems to me that our early fruits, in all the varieties would suffer in that way. Now, I wish to submit also that the time is not opportune to bring negotiations, in so far as the tender fruits and vegetables are concerned. I have not been aware that there was any demand on the part of the fruit and vegetable men for it. I think this country has prospered for a great many years. I do not know when the farmers have been more prosperous. The manufacturers are satisfied; the wage-earners make good wages. So that it seems to me, Sir, that the time for introducing this matter into the politics of our country is somewhat inopportune; it has also been said that both parties on the other side of the line—the Republicans wish to revise the tariff down, and the Democrats are anxious to lower it, and it seems to me that they would be compelled to reduce their tariff, which would be to our advantage.

On behalf of the tender fruit men and vegetable men of the district which I represent, and introducing the Memorial which has been read to you, I appeal to you and to your cabinet and to all the members of parliament on both sides of the House, that nothing be done to endanger the great and important industries of this province.

Mr. JOHNSON.—I again have much pleasure in calling upon and introducing to you Mr. Thomas Rowley, a well-known nurseryman of Leamington.

Mr. THOMAS ROWLEY (Leamington).—Sir Wilfrid Laurier and Gentlemen,—I am possibly in the most trying position to-day that I ever was placed in in my life..

In appealing for fair play to the fruit and vegetable industry of this country we come to the man whose name we most revere—the Right Honourable Sir Wilfrid Laurier. We do not wish to be considered as taking to ourselves the only credit for what small success our business may have attained. Our utmost efforts would have been in vain had we not been assisted by a government whose devotion we could always rely on; and it is a great pleasure to me to pay this just tribute of praise to those whose hearty co-operation to the best interests of all concerned I shall always remember with gratitude.

In speaking on this question I want you to fully understand that I am not in a fighting mood against the government, nor do I think that many of the South Essex growers are, but I believe that the government has been mislead and that if many of the facts are placed before them to-day they will hasten to rectify the mistake before the proposed legislation is filed. Under the present tariff our fruit and vegetable growers have been encouraged to plant orchards, build green-houses to supply the increasing demand of our population, and at the present time we are beginning to consider whether the supply would not be more than equal to the demand, and asking if we are not going to overdo the market. Does it seem fair, that after our growers have spent millions of dollars in planting orchards, building green-houses and hot-houses, and clearing land that we should be asked to stand aside and allow a foreign country to take our markets from us without giving us a material advantage on theirs. I claim it is impossible for us to compete with the United States market when we consider their cheap labour and tropical climate. It seems to me impossible to get in fair on these lines. Even under the existing tariff the Americans are getting the margin on the market because they are dumping the dull end of their market on us when our fruit is just ready. Owing to their varying climatic conditions they have a continuous crop, and they could flood our market with inferior fruits and vegetables, leaving us at all times to a slump in prices, which will leave our grower in a much worse state than what he is under present circumstances.

Then, does it seem fair that fruit and vegetables should be free while canning factories and manufacturers have a high protection? For instance, we deliver a bushel of peas to the canning factory at $1; they take them in and place them in cans and they are worth $1.20 to the company. We deliver a bushel of tomatoes to the canning factory at 25 cents; they take them in and place them in cans and that same bushel of tomatoes is worth to the company, free of duty the sum of 75 cents. We deliver a dollar's worth of cucumbers to the pickle factory; we deliver another dollar's worth of fruit to our local grocery, and if we want pickles in return we get 67½ cents worth of pickles. We deliver another dollar's worth of fruit to our local hardware merchant—he calls us up and says his wife wants some fruit. If we want cutlery we get 72½ cents worth of cutlery for our dollar's worth of fruit. We ship $100 worth of fruit to Toronto and we want a windmill in return; we get an $80 windmill for our $100 worth of fruit. We ship another $100 worth of fruit to Hamilton; we want a boiler in return; we get an $80 boiler because they have to pay 20 per cent duty. We want a wagon and we get a $77.50 wagon because they have a duty of 22½ per cent. Does it seem fair that our dollar's worth of fruit will only buy 22½ cents worth of pickles, and 72½ cents worth of cutlery, and not more than 50 or 60 cents worth of canned fruit or vegetables; and that our $100 worth of fruit will only buy an $80 windmill, an $80 boiler, a $77.50 wagon or a $70 spraying machine?

The manufacturer asks and gets a high protection on farm implements, calling it his finished product. They quite forget that their finished product is our raw material. How would they like it if we got a high protection on our finished product—fruit and vegetables—and got our raw material free? Some years ago the young men were leaving the farms and going, as they thought, to the more lucrative work in the city, with the result that the father and mother and small children were left at home to run

the business as best they could. Now the conditions are somewhat more favourable on the farm: and now we are asked to feed the manufacturers on the free market while for every $100 worth of stuff we have got to go down in our pocket and make them a present of an average of $25. Of course, some will say that it doesn't need as well an educated man, or as much brain, or as much capital, to run our business as it does manufacturers—which statement I say is untrue. Because many of our young men have met success in manufacturing, while never yet have I heard of a manufacturer running a fruit and vegetable farm successfully. And as far as capital is concerned, I will venture the assertion that there is more money invested and more labour employed in the fruit and vegetable industry of this country than there is in all the manufacturing industries combined—and we are not getting half the consideration. And, as a proof that our business is not as profitable as theirs is, a manufacturer will go into business and, if he is the right kind of a fellow to look after his business, he goes in with a few dollars and in ten years he is rated around the million dollar mark. The young boy on the fruit farm commences to work just as soon as he is able to carry a basket of strawberries, and, if by the time he is 60 or 65 years old, he then has a competency or enough to keep him out of the poor-house, he is pointed out as a very successful man. Then I would ask the government if they ever considered that all these great manufacturers that we read about and hear so much about are ever good, because, according to what the Good Book tells us, Adam was a fruit grower, and he was placed in the position that he had to steal fruit, and it seems to me that according to these new regulations the government is doing its best to make us, by the sweat of our brow, eat bread until we return to the grave.

I claim we need more consideration and more protection than the manufacturers, because we have more money invested and are employing more help and are handling the perishable product, while theirs is not perishable. For instance, the manufacturer gets his product ready for the market, and if the market is not good he can hang on to it until the market is ready; but if our goods are not on the tables in from 36 to 40 hours it becomes a total loss. We claim our government should give this matter of the fruit and vegetable industry serious consideration before it is too late.

There around 100 greenhouses in our district. I have not the prices of them all, but three: Mr. Fraser's cost $7,000 R. H. Ellis' cost $12,000, and W. W. Hilburn's $6,000. But to be just and fair, we will put them at an average of $1,000 each, and we have the enormouns sum of $100,000 just there in greenhouses. I didn't have time to count up the acres planted out in peach orchards, because they are like the sands on the sea shore—beyond number. When our representative was in Leamington the other day he told us he didn't think we should have any competition in the fruits from the Southern States, because, he said, it is so much superior to the southern stuff, and he referred to vegetables in the Yukon district—it is so much better than that grown in our district. I believe that to be true. It is not the superior product of the north that we fear, but the inferior product of the south. For instance, we would be quite willing to allow our government to make a treaty with the United States to allow Alaska to ship all her superior quality of vegetables and fruit into Canada they can raise. We would not even ask for reciprocity to ship back to Alaska. Conditions are not any more different of Alaska and Canada than Canada and the Southern States.

And now, gentlemen, does our government think they are giving us a square, fair deal in the Reciprocity Agreement? And can they ask us, as loyal Canadians, to go on building up these great industries and creating new markets for the fruit and vegetable growers of the United States? And does it seem fair that we shall help build up this grand country, and bring immigrants from England and the United States and Europe, and then have the government practically say, 'You fellows are not capable of feeding these people: we will ask our esteemed friends and neighbours.

the Americans, to do the job for you.' I would like to ask the government if they think this is a proper time to tinker with the tariff? Canada has become prosperous during the past ten or fifteen years under the present tariff. and why change? A short time ago a deputation waited upon our esteemed Premier, asking him not to make changes in the proposed tariff. Our esteemed Premier replied and said that it was a real good thing to let well enough alone, but it was a much better thing to try and get something better. Now, Sir, we have, I think, and justly so, the best government in the Dominion House of Canada to-day that it has ever been the privilege of Canadians to enjoy, and in a short time they will be appealing to the country, and I would hate like thunder to go to the backwoods of Essex and tell the people to try and get a better government. I once heard of a man—a great big robust fellow in perfect health, but he commenced to take drugs and soon died. After he was dead this epitaph was placed on his tombstone: 'I was well; I would be better; now I am dead.' And we, as Canadian citizens, are well under the present tariff. If we would be better, we should be careful or we will be dead.

Mr. JOHNSON.— I have much pleasure in calling upon and introducing to you Mr. Thomas Delworth, Secretary of the Ontario Vegetable Growers' Association.

Mr. THOMAS DELWORTH, *Secretary Ontario Vegetable Growers' Association.*—Sir Wilfrid Laurier, Honorable gentlemen of the Cabinet of Canada and members of the House of Commons,—In speaking before you to-day I wish to speak for the vegetable growing industry of this province, and first might I be permitted to make a few remarks to the extent of our business. I am taking figures for the market-gardening district immediately around Toronto, and we claim that is where most of the vegetables are grown, except around Montreal. We have in the neighbourhood of Toronto, close to the city limit, some 800 gardeners engaged in market gardening. They are working an average of eight acres each; this land is worth an average of $400 per acre, and their average equipment has been valued at about $2,000. This, when figured out, gives us a capitalization of something over $4,000,000. This is very intense cultivation. Sometimes the returns per acre averages high. Sometimes we have a chance of getting a higher return per acre, but there is also a chance of a failure in the crop. The average return per acre is about $200, which gives us an average turnover of about $1,200,000. I wish to impress upon you that when you take that one small district and remember that that district is typical, though somewhat larger than the other districts surrounding large cities, and you will get some idea of the amount invested in that district and the return from it. I quite agree with the remarks made by Mr. Bunting regarding the effect this proposed treaty will have on our business. Mr. Bunting spoke of the tomato industry and showed how they drop with us. The price depends altogether on the season of marketing tomato crop. I will give you my own sales for last year: On the 2nd of August I received $1.58 per basket; on the 5th August, $1; on the 9th August, 35 cents; on the 13th August, 25 cents; on the 23rd August, 17 cents; and on the 30th August, 10 cents per basket. What I wish to show is that the price we receive for our products is almost entirely a question of the date on which we can place it on the market. A matter of two weeks' difference in the date of marketing that crop entirely wipes out all the profit we get for it. The profit of the crop is all in the first two weeks. Under the proposed treaty we will be subjected to unrestricted competition with a country that can place the crop on the market in advance of us. These prices were under a protection of a 30 per cent tariff. When you wipe out all that you take 30 per cent off the profit we get. By the time our products are ready to ship to market their market would be the same as ours would have been at 10c. per basket. This argument applies to almost all our products right along the line. This drop in prices is not accountable by the increased supply. Our vegetables, coming in as they do after a winter season, —there is a craving for fresh vegetables. The man who first supplies that craving

gets the profit. By the time we ship our stuff to the United States that market will be supplied there, and under this treaty our market will be supplied through them.

Now, permit me to ask the question: Who will be benefited by this? By referring to a Blue Book report lately issued by the House, the Minister of Finance shows the amount collected for duties on vegetables imported into this country from the United States in 1910. I understand this to mean the duty paid in the past year on these products. I find they are as follows:—

Potatoes	$ 43,729 00
Tomatoes	50,108 00
Other vegetables	138,474 00
Melons	21,243 00
Total	$253,554 00

(A little over a quarter of a million dollars.) This revenue will be lost to this country under the proposed agreement. Now, that will be lost revenue—the country will lose that. What will the consumer get? We claim the consumer will be paying very little lower than he is now. The only advantage is his craving will be supplied a week or ten days earlier than now. The first early vegetables will come on the market a little earlier. The people have a great craving for it. The next vegetable comes along and they immediately want that and leave the other. Under the proposed treaty our people would possibly be able to satisfy that craving a week or ten days earlier than now, but the price would be as great as it is now. So that, although there would be this loss to the revenue of this country our consumer would receive no material advantage. Who would gain by this? Nobody but the American grower sending the stuff to this country, and possibly the commission man and our transportation companies. So far as I can see that is the case as it stands for the open-house vegetable grower.

Now, with regard to the green-house vegetable industry. This is an industry that has increased very much the last few years. It has been built up under the tariff. The people demand luxuries. This business, under the present tariff, has been fairly prosperous for those who can put capital in it and finance it. The proposed treaty would allow the products of the American green-houses in free of duty. We will take the State of Ohio; in that State we are told there are 100 acres of green-houses used in the forcing of vegetables; there are large plants devoted entirely to that. Will we be placed on equal terms to compete with them even as they are now? I claim we are not. Take the case of bituminous coal, which heats those large plants. We have got a reduction of 8c. a ton, which leaves the duty at 45. A year ago I thought of extending my plant. Several firms in New York city were giving me estimates on a steel green-house. I found it was 30 per cent duty coming into this country. Now I claim that is a very heavy handicap on our green-house construction. We take our boilers, gasolene engines for pumping water, wind-mills. There is a heavy duty on all these. This will be a serious handicap to us in competing with those across the line. We are not here claiming that any class in our community receive too high duty: we are not hostile to any other class—manufacturers or any others. We merely ask that we shall be put as nearly as possible on an equal footing in order that we may compete with those whom you are admitting into our market. There is a high duty on all articles which we have to buy and we think it is not fair treatment to this one industry, this growing industry, this industry that is so necessary. We are producing the vegetables and fruits of this country and we say it is a most essential thing for the country. We claim that we are not on an equal footing to compete with that other market.

Allow me to leave with you a Memorial from our Association, which I will take the liberty of reading. (Reads)—

SESSIONAL PAPER No. 113a

MEMORIAL of the Ontario Vegetable Growers' Association and other Market Gardeners, *re* proposed Reciprocity Agreement, as regards the importation of fresh vegetables.

WHEREAS this Association is composed of men who are citizens of Canada and engaged in the business of growing vegetables for a livelihood; and whereas a measure has been submitted to the House of Commons of Canada granting a reciprocal free trade in fresh vegetables between this country and the United States; and believing as we do that the Bill as proposed will work great hardship and injustice to the vegetable growers of this country, and be of no appreciable advantage to the dwellers in our cities and towns, who are the consumers of our products;

And WHEREAS the proposed measure, while entirely removing all import duties from our products, makes no reduction whatever in the duties on most of the machinery and supplies, including windmills, pumps, gasolene engines, greenhouses, boilers, pipes, glass, ventilating and irrigating machinery, being necessary equipment for our business, all of which are very largely imported; and further, that where reductions are made as in ploughs, bituminous coal, and a few other items, such reductions are so small as to be almost imperceptible.

And WHEREAS we believe that the measure, if it becomes law, will cause our country to be flooded at certain seasons of the year with the surplus of the southern market, causing great loss to our Canadian vegetable growers, without affording any commensurate advantage to the consumer. The only advantage that might accrue to the consumer would be that he would receive vegetables about two weeks earlier in the season than he is doing now, the price that he would pay being about the same as at present, and the Canadian producer would have to start selling to a market already glutted with a produce similar to his own, being the surplus of southern markets, climatic conditions preventing the Canadian grower putting his produce on the market at the same time as his Southern competitors.

THEREFORE this Association most energetically protests against the enactment of the proposed measure.

Mr. JOHNSON.—Honourable Gentlemen,—I have now much pleasure in calling upon and introducing to you Mr. John McElvoy, representing the Quebec Vegetable Growers' Association.

Mr. JOHN MCELVOY.—Sir Wilfrid Laurier and Honourable gentlemen of the House. I have just heard a man making a remark a few minutes ago, saying he was in a very awkward position—but what am I going to talk about? The subject has been pretty well covered.

So far as the Province of Quebec Vegetable Growers' Association, which I represent, is concerned, I will try to give you an idea of the amount of capital and labour invested in the neighbourhood of Montreal. I live on the borders of Montreal. We have eight municipalities which have been annexed to Montreal. There are 250 gardeners in that small district; these men employ about ten men apiece at an average wage of $10 a week, which makes $1,300 a year. Those 250 gardeners have an average of 200 hot-beds each, which make a total of about 50,000 hot-beds in that small district. These 250 gardeners cultivate an average of 30 acres apiece, which gives a total of 7,500 acres; these 7,500 acres of land annually will turn over $200 an acre, giving a total turned over of $1,500,000. Those 7,500 acres of land, valued at $500 an acre, gives a total of $3,750,000.

Now, the stock and equipment for gardening, consisting of horses, wagons, ploughs, harnesses, carts, different tools, and everything else averages about $2,000 for each gardener, which gives a total of $500,000.

Outside of that district we have about 3,000 other gardeners. Those 3,000 gardeners represent about 15,000 acres of ground, and employ about 6,000 labourers.

The valuation of these 15,000 acres of land is about $100 an acre, giving a total of $1,500,000. The stock for gardening these 15,000 acres of land by these 3,000 farmer-gardeners is valued at $300,000. Those 3,000 gardeners employ an average of two labourers each, which gives a total of 6,000 labourers.

Now I come to hot-house plants. We have one district in the city of Montreal, the Cote des Neiges district, there there are about 300,000 square feet of land under glass, valued at $200,000, not speaking of the other large plants in the surrounding district, valued,I suppose, in the neighbourhood of $300,000 or $400,000 more. These plants employ a lot of labour in the dull season. Notwithstanding all those materials used in construction, our plants are subject to a very heavy rate of duty.

We came to this House, I think it must be some eight or ten years ago; we presented a memorial to the honourable Minister here, asking him to raise the rates a little on those materials. I think it was raised 10 per cent. During that time the farmers and gardeners around that district had their farms pretty heavily mortgaged; I myself had to leave my own home and seek labour elsewhere to try and wipe out that mortgage. Now this is all changed. Our mortgages are nearly all wiped out and we have bank accounts. Now it is our desire at the present time to remain as we are. I might also say that before this Treaty of Reciprocity was discussed, even in this district there was one man had contemplated installing another plant that would cost him from $75,000 to $80,000. He went as far as to call for tenders, but as soon as he heard this rumour of free trade he cancelled his order for the time being.

Now I don't think there is anything else for me to say. Those other gentlemen have explained everything pretty thoroughly to you. We claim that this free trade, these plants and all this money invested will surely put us out of business. To-day the farmers and gardeners in my district are prosperous, and as I tell you, their mortgages are all wiped out and they are men to-day with bank accounts and seem to be prosperous, and it is their desire that we ask the Government to leave things as they are—leave well enough alone.

Mr. JOHNSON.—Honourable gentlemen,—There are here a few more speakers who will speak briefly to you, and whose statements will be worthy of very serious consideration. I have much pleasure in calling upon and introducing to you Mr. E. E. Adams, of Leamington, representing the fruit and vegetable growers of Leamington.

Mr. E. E. ADAMS (Leamington).—Sir Wilfrid Laurier and gentlemen of the Cabinet,—The time is now very, very limited, and I am not proposing to take up your time at the present. I might say, as has been said previously, we have about $100,000 worth of green-houses in the vicinity of Leamington. Those green-houses have been erected under the protection of the tariff. To be brief, we would ask that you do not at present alter the conditions that we had during the last twelve or fifteen years. If the present agreement goes into effect our protection will be immediately removed and we will have to come into competition with the population of the United States, the cheaper labour and the black people, and I think this government will hardly ask us to place ourselves, as white men, upon the level of the black. In the county of Essex we have a lot of people there growing tobacco. The duty, as I understand it, is 50 to 100 per cent, according to the tobacco. We, as vegetable growers, ask you to place us in the same position as our neighbours with only a line fence between us.

In speaking of peaches, which are mentioned here to-day, a great many peach orchards are owned in our district. Those peaches are shipped to North Toronto and

Winnipeg. Now, as fruit growers, we are handicapped somewhat in producing stuff in competition with the United States. If I want $5,000 worth of glass to increase my business—as I was desirous of doing—I have to pay under the proposed new arrangement something like 15 per cent. If that glass came into Canada free of duty, and we did not have to pay duty to prepare our green-houses and equipment, we might be on a slightly more equal footing; but under the proposed agreement it is unjust and unfair. As to the value of land: in our district I might say land is valued from $150 to $3,000 per acre. Take the difference in labour; they have coloured labour at 50 cents, 75 cents and sometimes $1 per day, and it seems to me where we have to pay $1.50, $1.75 and $2 per day, we cannot compete with them.

The time is going fast, and I shall not take up any more of your time; but I hope you can see your way clear to accede to the request of the fruit and vegetable growers of this province.

Mr. Johnson.—Sir Wilfrid Laurier and honourable gentlemen,—I will now call upon and introduce to you Mr. J. D. Fraser, of Leamington.

Mr. J. D. Fraser (Leamington).—Sir Wilfrid Laurier and Mr. Fielding and gentlemen,—As the time is getting short, and your time is valuable, I will just take time to introduce to you one phase of the subject: Do you not think the Canadians, as a whole, are proud of our gardens? If you would consider Canada to be a farm as a whole, and the fruit industry a small part of it comparatively—such as a farmer might say to his young boy, 'There is a small sandy knoll there; suppose you produce the vegetables and fruit for the family.' This younger member of the family proceeds to do so, and possibly one of the older sons says to the old gentleman, 'This garden is costing us too much; it is more bother than it gives to us'—(if you take that view of it)—'do you not think we can buy cheaper?' Do you not think the old gentleman would wish to foster that industry in his son Do you not think that Canadians, as a whole, are proud of our orchards and gardens; and do you not think that this new arrangement in the tariff will be as hazardous to our industry as we think? Do you not think that if the farmers who are asking for a change, or others who are asking for a change, knew the effects it will have on our industry—would they not be desirous of having the tariff remain as it is from the very fact that they are proud of the gardens of Canada, and proud to see Canada come to the front in an industry of this kind?

Mr. Johnson.—Sir Wilfrid Laurier and Gentlemen,—We have still another gentleman to speak to you, a man well-known throughout the Province of Ontario as the greatest fruit grower of the Province of Ontario, Mr. E. D. Smith.

Mr. E. D. Smith (Winona).—Sir Wilfrid Laurier and Honourable Members of the Cabinet.—After the arguments have been gone over so thoroughly as they have been I think it would be encroaching upon your time for me to speak more than a very few minutes.

When you look around this vast gathering of fruit growers you will realize how earnestly the people wish to protest against the change in the tariff. Heretofore there has been no one, I understand, who has asked for a change in the fruit tariff. If there is any one who has asked for it it is the consumers. It has been shown that the consumers are not suffering. The Ontario Fruit Growers' Association and the Niagara District Fruit Growers' Association has always asked that the duties be left as they are. At the time when the great gathering of farmers was here the Niagara Fruit Growers' Association was in session and that association passed a unanimous resolution, supported by every member of the association, sending a long telegram to you yourself, Sir, asking that no change be made in the tariff. We felt absolutely secure that there was no change in the tariff and when the newspapers published it on the Friday it came as a bomb-shell. We had felt perfectly sure that there would

be no changes. We didn't think that this industry would be singled out and made to bear the burden. Seeking as you naturally would do to make some concession, we feel that the fruit-growing industry are asked to give the whole of what is required for the concession granted. The other concessions are small reductions in certain lines of manufacture. So far as our fruit growers are concerned, we do not wish for them. We are of opinion that all the fruit growers in this country believe implicitly in protection. They do not wish to see any other industry crippled, and so they feel it is taking a step in the wrong direction. They only expected a small concession, whereas the whole of the duty of the fruit and vegetable growers was swept away. When the great delegation came here from the west they asked that duties be taken away from agricultural implements, but we wish to submit candidly that if some great concession had to be given, if some great industry had to be sacrificed, then that great industry is much better able to stand it than the fruit growing industry. The main argument that is advanced in regard to the manufacturing industry is that they must be put in such a position as to meet the cheapened labour of other countries, and the great capital of the other countries. We have not only to meet the great capital of the United States, and the earlier climate of the United States—almost every State in the Union can grow the products that we grow—but we have to meet the conditions that have been submitted to you, that are vastly different from the conditions in our country. Our markets are filled with their products before our products are ready to be put upon it. How long could any industry live if put in that position? Suppose any of our manufacturing industries had to lie idle through certain seasons of the year, and during that time the United States manufacturers were able to put their products on the market, and during the rest of the year we had to compete with them. That is the position of our fruit growers. I have heard it said, and no doubt it is believed by the members of this government, that we have some compensating advantage; no doubt it is urged by you that we will have a compensating advantage in turning our goods into their market. First of all, their markets have been filled with all the products we grow, so that we only get the 10c. a basket; when our fruits are on the trees ready to pick, their fruits are ready to pick. While our main crop is on the market—while we are marketing our early crop of peaches they are marketing the later varieties. It is a great mistake to think that we have their market to ship our products to at any time of the year. Their markets are filled at the same time ours are ripe. So that we have no compensating advantage whatever. On the other hand we are handicapped by the reasons stated that we are compelled to work at a disadvantage. Take our land: In the best fruit sections of Canada land is worth from $175 an acre up even as high as $1,000 per acre. It may be said that that $1,000 per acre land is all through the Niagara district; peach land is as high as $3,000 or $4,000 per acre. The lowest is $150 or $175. We were in the United States this week —for this came upon us so suddenly we were not ready for it before. In the western portion of the State of Michigan there is at least 100 miles, stretching back into the country ten or twenty miles, of excellent peach land. Previous to 1906 there was shipped from that section 8,000,000 bushels of peaches. They are now shipping 2,000,000 bushels, and yet in spite of that their product is reduced to one-quarter they are getting just about one cent a pound less than we are. They are only 100 miles from Chicago and yet the price they get for the best is 2 cents a pound or 1½ cents a pound, but our canning factories have never paid less than 2½ cents per pound. We would expect to find that beautiful land $400 or $500 an acre. What do you find? The best land $100 an acre and from that down to more inferior—as far down as $10 per acre. We have that to come up against. Immediately that treaty is passed we have to meet those men in an unequal contest. Our fruits are marketed later; our land more costly.

In regard to the cost to the consumer: It is said we are charging the consumer too much for these goods. At the present time there is a large importation of American fruit. These come into the market before our product is ready. It is revenue duty. I think it is but fair that the rich shall pay taxation to the country, and for a long

period before ours comes into the market it is a revenue duty. During that short period for each successive fruit as it is ripened we are getting an additional crop no doubt for the protective tariff. Four-fifths of the crop at least consumed are not much more than they would be under free trade conditions. Profits are cut down by those who are dealing in these fruits to as low a point as possible. Once take the competition away from the large dealers who have control of these markets, and I am sure the prices will be as great as they are now. I asked a gentleman in Minnesota, 'What do you pay for peaches in the cheapest time of the year?' He said, 'We sometimes pay as low as $1.75. I asked a gentleman from Regina, and he said the *highest* price he paid was $1.75 per crate. The present competition in the Niagara district keeps the prices lower than they would be on our side of the line. More than that, let us see what it costs the consumer. Let us assume that the consumer pays one-half of the duty. What does it cost the average family. We will assume the family buys 6 baskets of fruit per year—2 plums, 2 pears and 2 peaches. Half the duty of the first would be 37 cents for the average family—if it is true that they pay half the duty, their total contribution would be 37 cents a family. I don't think any of these gentlemen have figured it out, or they would not have made an argument of it. You yourself, Sir Wilfrid, and various members of the Cabinet, have said that the conditions would be stable; the industrial conditions would never be seriously endangered. We submit this is an industrial concern just as much as any other. Our capital is put into it, and we don't get anything out of it for five or six years. All the arguments that can be advanced for manufacturers can be advanced why these duties should be retained on our products. Suppose a man has bought a mill, bought land for $5,000 and has mortgaged it for $4,000. (A man buying land in the Niagara district could borrow four-fifths of the value of the land.) What becomes of him? He is wiped out. The land will depreciate in value. I don't see how any other conclusion can follow than that these lands will depreciate in value, and if they depreciate only 20 per cent it will put many a man on the street.

In regard to the amount of the duty. It is assumed by some that the duty is very high. If an investigation is made of the actual rates on fruit from the United States for the past two years, it will be seen that the duties are smaller than ever.

Apples imported	1909	$225,850	duty	$22,705 = 10	per cent.
" "	1910	261,792	"	23,628 = 9	"
Berries imported,	1909	194,653	"	41,956 = 22	"
" "	1910	210,796	"	50,071 = 24	"
Plums imported,	1909	125,390	"	22,454 = 18	"
" "	1910	158,756	"	20,858 = 13	"
Pears imported,	1909	154,286	"	28,042 = 18	"
" "	1910	170,346	"	24,707 = 14	"

It is a great mistake on anybody's part to assume that we are receiving a great big protection. I say it is much lower than the duty on other goods.

I thank you for the opportunity of presenting these to you.

Mr. JOHNSON.—I might just say, Sir Wilfrid, that this closes the arguments we had to present to you as the Fruit-growers and Vegetable growers of the Province of Ontario. There are many others here who would no doubt like to speak to you but we leave it in your hands, believing that you will do justice to the Canadians.

Sir WILFRID LAURIER.—Mr. Johnson and Gentlemen,—It is hardly two months ago that this hall was filled by a delegation which came largely from the West, and which claimed to represent the whole of the Agriculturists of the Dominion of Canada. My first words to them on that occasion on behalf of the government were to extend to them the most cordial welcome; and my first word to you, gentlemen, is to extend to you on this occasion the same welcome, and to express my own regret that you did not come earlier, and that you are so late in the day. For my part it would have been a great pleasure, and a great help I am sure, also, if we had had your

delegation not only immediately following the delegation which was here on the 16th of December, but I would have preferred to have had them on the same day possibly, so that we could have heard at the same time the arguments which were presented to us then and the arguments presented now—which are rather conflicting. The position of a government in a country so vast as Canada is always a difficult one. You represent an important section of the agricultural industry of the Province of Ontario —the fruit industry. We have referred to farmers—and among them fruit growers—coming from the Province of Ontario, from the Province of Nova Scotia, from the Province of New Brunswick—all asking us the very reverse of what you are now asking us; all asking us as their first demand to obtain if possible from the American authorities, our neighbours, the largest possible measure of reciprocity, not only for grain but also for vegetables and fruits. You come here on the present occasion and tell us that they were all wrong, they were all mistaken, and that we should not have done so. We have had the double demand presented to us from the same class of people—fruit growers and vegetable growers; one asking for the opening of the American market, the other asking for the shutting up of the market of the Americans. I repeat, under such circumstances, the Government—and no matter what government is in office—must have a heavy task to perform. To whom should they listen?—To those who ask for one thing or to those who ask for the other? We were told a moment ago by Mr. Fraser that we should be proud of our garden. As a Canadian I am proud indeed of our garden and of our orchard; and I am proud as a Canadian to say that I speak the truth which is acknowledged at the present time, and which will be more acknowledged as time goes on, that in this particular class of products which you represent—fruits and vegetables—the Canadian gardens and the Canadian orchards are the finest in the world. The difference is rather, as has been pointed out to us, the climatic differences of our country. The difficulty that we are on the northern extremity of the zone—but the advantages there are also in those climatic difficulties. I don't know how it works, but it is acknowledged at the present time that the Canadian apple has no competitor in the world. It is undoubted, I believe also, that the peach which is grown on the northern shore of Lake Erie is superior to any product on this continent. And I would say to Mr. McElroy, who represents the gardeners of Montreal, that in the month of November the Montreal melons are to be found on the tables of the first-class restaurants of New York—The Sherry and Delmonico. Even under the present tariff duty their excellence is such that the Montreal melon is an article of luxury to be found on the tables of wealth and luxury. It has been stated by the gentlemen who are here, and whose judgment I do not dispute, that if this Treaty goes into force, when the barriers against fruit will be set aside, the advantage will be with the Canadian growers because the Canadian products will have a distinct advantage—the superiority of their own products will displace the product of the United States. There is much to be said on this point, and we have other engagements. Let me tell you this, however. Canada is, as I said a moment ago, a large country; it covers the whole of the northern half of the Continent. The conditions are not the same in every Province. You represent, gentlemen, chiefly the Niagara district. Let me call your attention to the fact that two months ago when we had this delegation of farmers.—they told us to get reciprocity with the United States; Mr. Johnson came here from Norfolk and asked us, on behalf of the fruit growers of Ontario, to endeavour to get reciprocity of trade with the United States—speaking chiefly of apples. Mr. Parker came from Nova Scotia, from the Annapolis Valley—famous for its fruit all over the Continent of America—and asked us, on behalf of the fruit growers of Nova Scotia to obtain if possible for them free access to the American market. You will tell me these men represented chiefly the apple trade; the apple is different from the products that you represent; it is not a perishable product like the small fruits of which you speak. Let me quote here the expression of opinion which was presented to us from New Brunswick—Mr. Fawcett spoke from New Brunswick:—

Our soil and climate favour the extensive and profitable growing of fruit, and nearly every farm crop common to Canada. Even under the adverse conditions so long existing, we are producing a considerable surplus of potatoes, turnips, hay, and dairy products, and our farmers would receive a direct and immediate benefit from reciprocity. To illustrate briefly I may mention myself: and say, that free access to the American market with my own hay crop, would make me a net gain annually of $360; and on my strawberry crop, $200, counting only one-half the duty imposed by the United States tariff, and I am only one of many.

Now, to whom are we to listen?—To the voice of Ontario, which tells us, "Keep the American barrier as it is to-day"; to the voice of New Brunswick, which tells us, "Take down the barriers which are to-day against our crop going into the United States"? It is impossible for any government to maintain the country as we hope to see it, as it is, and as we hope it always will be, if some person in this country is not prepared to make some sacrifice.

To whom are we to listen? Here is one province asking clearly one thing; here is a section of another province asking directly another thing. It seems to me that we should follow the example of the Fathers of Confederation. I suppose there are in this conference Grits and Tories—I would hate to think they were all Grits. Forty years ago or so the leaders of the two parties of that time, George Brown and John A. Macdonald, laid down their differences and united in order to link together the provinces of this great Dominion. We have been pretty successful and we have tried again and then again to follow the same path; and I ask you gentlemen, to remember the difficulties that stand in the way of myself and my collegue, the Minister of Finance, and my colleague, the Minister of Customs. We have been prosperous it is true under the present tariff, as one gentleman has been kind enough to say; but in the face of that prosperity we had the delegation come here and ask us to act in a certain manner in order to remove certain grievances; in the face of that prosperity they asked the government of the land to remove the barrier between Canada and the United States. We have been giving this our best consideration.

I have only this to say: Of course we are bound to listen to you, but after listening to you, my last word to you must be that it is impossible, absolutely impossible, that any law which is passed, that any agreement which is adopted, that any tariff which is made, can be equally agreeable to all parts of the community, but that all must be prepared to make some concession to the common good.

There were loud demands for speech from Mr. Fielding, in response to which the Minister of Finance said:

It is much too late. I thank you very much but I cannot speak to you.

Conference adjourned at 2.15 p.m.

APPENDIX.

MEMORIALS PRESENTED TO SIR WILFRID LAURIER.

To the Senate and House of Commons of Canada in Parliament assembled:

We the undersigned, the President and Executive Committee of the Old Country Association, composed entirely of men born and bred in the British Isles; and the great majority of whom are engaged in the fruit industry, respectfully and earnestly beg to draw the attention of the Dominion Government to the peculiar hardship which will be imposed upon us should this proposed tariff legislation come into effect.

We have been induced to leave Great Britain, and to come to this peninsula, and to invest our capital in the purchase, planting and general improvement of fruit lands in a large measure owing to the very wide distribution of official pamphlets and other literature emanating from Canada, and distributed throughout the British Isles, positively stating that 'the Ontario grower is protected in the home market by a high tariff against foreign grown fruit and vegetables, and thus enjoys that market without serious competition from outside sources.'

The amount of Customs tariffs on the various fruits is specifically stated in these pamphlets and literature; and in order that this particular advantage to the Canadian grower may be clearly understood by the Britisher, this tariff scale is not only set forth in Canadian money but is also set forth in the coinage of Great Britain. Under the belief that these conditions would be stable we have not only sunk our own capital, but have been instrumental in bringing many of our countrymen here to invest in this growing industry, which—owing to the steady rise of recent years in the values of land—now requires a large amount of capital to purchase and equip even the small farms the majority of us own, and to provide for the maintenance of our families during the years it takes to bring an orchard into bearing.

W. ARTHUR BRIGGS,
President.

A. T. BAKER.
A. MERYON HARRIS.
R. W. F. GRACE.
RICHMOND F. ROBINSON.
HERBERT LAMPARD,
Executive Committee.

St. Catharines, February 4, 1911.

Memorial of the Ontario Vegetable Growers' Association and other market gardeners, *re* proposed Reciprocity Agreement as regards the importation of fresh vegetables.

Whereas this Association is composed of men who are citizens of Canada and engaged in the business of growing vegetables for a livelihood; and whereas a measure has been submitted to the House of Commons of Canada granting a reciprocal free trade in fresh vegetables between this country and the United States; and believing,

as we do, that the Bill as proposed will work great hardship and injustice to the vegetable growers of this country, and be of no appreciable advantage to the dwellers in our cities and towns who are the consumers of our products; .

And whereas the proposed measure, while entirely removing all import duties from our products, makes no reduction whatever in the duties on most of the machinery and supplies, including windmills, pumps, gasolene engines, green-houses, boilers, pipes, glass, ventilating and irrigating machinery, being necessary equipment for our business, all of which are very largely imported; and further, that where reductions are made, as in ploughs, bituminous coal and a few other items, such reductions are so small as to be almost imperceptible.

And whereas we believe that the measure, if it becomes law, will cause our country to be flooded at certain seasons of the year with the surplus of the southern market, causing great loss to our Canadian vegetable growers without affording any commensurate advantage to the consumer, the only advantage that might accrue to the consumer would be that he would receive his vegetables about two weeks earlier in the season than he is doing now, the price that he would pay being about the same as he is doing at present, and the Canadian producer would have to start selling to a market already glutted with a produce similar to his own, being the surplus of southern markets, climatic conditions preventing the Canadian grower putting his produce on the market at the same time as his southern competitors. Therefore, this Association most energetically protests against the enactment of the proposed measure.

RESOLUTIONS PRESENTED TO SIR WILFRID LAURIER.

RESOLUTION ADOPTED BY THE FRUIT AND VEGETABLE GROWERS OF SOUTH ESSEX.

To the Right Honourable Sir Wilfrid Laurier and Members of the Government:

We, the Fruit and Vegetable Growers of South Essex, feel that we are unfavourably dealt with in the proposed tariff arrangements with the United States.

Some years ago, when the present tariff on fruit and vegetables was enacted, it encouraged the growers in this district to supply the Canadian market, with the result that many thousands of dollars have been expended in green-houses, which now number upwards of one hundred in the vicinity, the industry developing rapidly and fully keeping pace with the requirements of the increasing population, and under the present tariff would continue to do so. If the proposed tariff change is made on peaches, cucumbers, melons and tomatoes, we would be deprived of the market so created and still be compelled to buy many of our requirements on a highly protected market. We feel that we are doing our part towards the development of our country and giving fair return for value received, and we believe that until our government find their courage equal to the task of introducing a measure for the lowering of the tariff on all commodities on a basis more nearly fair to all classes of the community than the one now under consideration the present tariff should remain as it is, and we positively object to the sacrificing of our industry, which would result if compelled to compete with the prematurely harvested and stale products which is produced by the cheap labour and tropical climate.

Resolution of the South Essex Fruit and Vegetable Growers.

J. E. JOHNSTON,
THOS. ROWLEY.
J. L. HILBORN,
E. E. ADAMS.

LEAMINGTON, ONTARIO, January 31, 1911.

CITY OF ST. CATHARINES, ONTARIO,
MAYOR'S OFFICE,

Feb. 6, 1911.

Proposed by Alderman Richmond Robinson,

Seconded by Alderman James D. Chaplin.

It being the opinion of this Council that the business interests of the Niagara Peninsula and particularly of this City are deeply concerned in the prosperity of the fruit growers of this section, and feeling that the agreement for reciprocity which is now being considered by the Parliament of Canada, and, whereby it is proposed to remove the duty from tender fruits, will result in serious financial loss, not only to those engaged in fruit growing but to all business interests in this city, and that the consumer at large is now, and will be increasingly hereafter benefited, as the result of the improved scientific methods of cultivation, packing, and shipment of fruit, which are being developed in connection with this industry;

Therefore be it resolved that this Council appoint a committee to be named by the Mayor to accompany the deputation of fruit growers who propose to interview the members of the Dominion Government and protest against the abolition of the present duty upon tender fruits, with no expense to the City.

Carried.

WM. A. MITTLEBERGER,
Treasurer.

JAMES M. McBRIDE,
Mayor.

RESOLUTION OF ST. CATHARINES BOARD OF TRADE.

Copy of a Resolution of the Board of Trade of the City of St. Catharines, passed February 2, 1911.

Moved by R. F. Robinson and seconded by Alexander McLaren:

That it being the opinion of this Board that the business interests of the Niagara Peninsula, and particularly of this City, are deeply concerned in the prosperity of the fruit growers of this section, and feeling that the argreement of reciprocity which is now being considered by the Parliament of Canada, and, whereby it is proposed to remove the duty from tender fruits, will result in serious financial loss, not only to those engaged in fruit growing but to all business interests in this City, and that the consumer at large is now, and will be increasingly hereafter benefited as the results of the improved scientific methods of cultivation, packing, and shipment of fruit, which are being developed in connection with this industry.

Therefore be it resolved that this Board appoint a Committee to accompany the deputation of fruit growers who propose to interview the Members of the Dominion Government and protest against the abolition of the present duty upon tender fruits.

Carried.

GEORGE C. CARLISLE,
Secretary.

N. G. W. CONOLLY,
President.

We hereby certify that the above is a true copy of the resolution passed by the Board of Trade of the City of St. Catharines on the 2nd day of February, 1911.

GEORGE C. CARLISLE,
Secretary.

N. G. W. CONOLLY,
President.

Resolution of the Beamsville Board of Trade.

BEAMSVILLE, ONT., February 7, 1911.

Meeting held of the Board of Trade in A. B. Tufford & Co.'s office.

President, J. A. Hewitt in the chair.

Moved by J. D. Bennett, seconded by Wm. Hewitt, that W. H. Book be appointed secretary of the meeting. Carried.

Moved by J. D. Bennett, seconded by C. Russ, that we, as Board of Trade of the Village of Beamsville, protest against any changes in tariff as proposed by government. Carried.

Moved by Secretary, seconded by W. D. Fairbrother, that Messrs. Hewitt, McArthur and Russ wait on the council to-night and ask them to send a representation to Ottawa with the delegation protesting against the proposed tariff changes. Carried.

Moved by J. D. Bennett, seconded by Dr. Freeman, that the Board of Trade send the president, J. A. Hewitt, with the delegation to Ottawa, expenses limited to $15. Carried.

Moved that we adjourn to the call of the president. Carried.

Estimates of the Province of Quebec Vegetable Growers' Association towards Gardening in this Province, Island of Montreal District.

There are 250 gardeners.

These 250 gardeners are employing about 10 labourers each, representing a total of 2,500 labourers.

Salaries paid to these 2,500 labourers averages, at $10 a week, $1,300,000 a year. These 250 gardeners having an average of 200 hot-beds each will make a total of 50,000 hot-beds. These 50,000 hot-beds, costing $10 each, will give $500,000.

These 250 gardeners, cultivating an average each of 30 acres, will give a total of 7,500 acres.

These 7,500 acres of land annually will turn over $200 an acre, giving a total turned over of $1,500.

These 7,500 acres of land, valued at $500 an acre, giving a total of $3,750,000.

Stock for gardening consisting in horses, wagons, ploughs, harnesses, carts and different tools, valued at $2,000 each gardener, giving a total amount of $500,000.

There are about 3,000 more farmers gardening in the province of Quebec on a smaller scale, representing about 15,000 acres of land, and employing an average of two men each, forming a total of 6,000 labourers.

The valuation of these 15,000 acres of land is about $100 an acre, giving a total of $1,500,000.

The stock for gardening these 15,000 acres of land by these 3,000 farmer-gardeners is valued at $300,000.

These 3,000 farmer-gardeners are employing an average of two labourers each, giving a total of 6,000 men employed by them.

Hot-house plants in the Province of Quebec.

In Cote des Neiges district, there are about 300,000 square feet of land under glass, valued at $200,000, not speaking of the other large plants in surrounding district. These hot-house plants, employing a large number of labourers during the dull season.

Notwithstanding, all material used in this construction of our plants, are subject to a heavy rate of duty.

A very contestable fact is that the United States have the advantage of climate and to compete with them a large quantity of coal is needed for heating these hot-houses, and we have to invest large capital to build them, and there are a large number of labourers needed to do the work; and it would be practically the ruin of this industry if this treaty of reciprocity was adopted the way it is.

QUEBEC VEGETABLE GROWERS' ASSOCIATION.

ANATOLE DECARIE.
Secretary-Treasurer.

MEMORANDUM.

MEAT PACKERS

PRESENTED BY THE MEAT PACKERS OF ONTARIO AND QUEBEC AT A MEETING HELD WITH MEMBERS OF THE GOVERNMENT ON MONDAY, FEBRUARY 13, 1911.

MEMORANDUM.

The meat packers of Ontario and Quebec have in good faith invested large sums of money in fixed assets, represented by their buildings and plant. They have had the courage to build and equip their houses in advance of the production of hogs necessary to their operation. They have to-day, as they have had for years past, an aggregate capacity greatly exceeding the aggregate supply of hogs. They are therefore deeply concerned and have great anxiety as to the effect upon these investments if the proposed reciprocal trade relations are established between Canada and the United States.

The Ontario and Quebec packer has marketed his cured pork products in Canada and in Great Britain. Exports to Great Britain, which, in 1890, were $600,000, thirteen years later aggregated $15,000,000 and at present aggregate between $6,000,000 and $7,000,000 annually. During this period of twenty years the domestic trade has steadily enlarged. In recent years large quantities of product hitherto exported have been consumed at home. This increased domestic demand has come chiefly from the western provinces. Undisturbed by tariff changes, these western provinces would ultimately raise and pack hogs in excess of their requirements, when the surplus, as well as the surplus from Ontario and Quebec, would go to Great Britain, and would re-establish or enlarge the export figures of 1903.

The continuance of this domestic and export trade we believe to be vital alike to packer and farmer in the provinces of Ontario and Quebec. Each supplements the other and provides invaluable flexibility. It is because of this combined trade that during the last twenty years the average price of hogs in Ontario and Quebec each year has exceeded the average price of hogs in the United States. We have not had the extreme range in values incident to United States markets, hence we have not been as high in price during a period of extraordinary high levels, nor have we been as low in price during a period of extraordinary low levels, but the average price throughout any year (with the exception of two years, when the price was in favour of Buffalo) has been higher.

Under the proposed reciprocity agreement the trade of the western provinces, now so important and becoming increasingly so, will be lost to the Ontario and Quebec packer. The lower price for hogs at Western United States packing points, the more favourable rate of freight for cured product from these packing points to the western provinces of Canada, the higher return secured for offal, and the lower operating charge per pound of product through large volume, establish conditions so favourable to the Western United States packer that the trade of the western provinces would pass to him. The proposed duty of 1¼c. per lb. (say 10 to 12 per cent) in contrast to the present duty of 2c. per lb. (say 15 to 18 per cent) is insufficient to offset the advantages (as indicated above) enjoyed by the Western American curer.

If this western trade were lost to the Ontario and Quebec packer through the raising and packing of hogs in the western provinces, with the existing tariff conditions undisturbed, no serious trouble would follow, as the quantity of product exported would be increased as the western business decreased. Under reciprocity, however, packers in the provinces of Ontario and Quebec would be put in a position which must cripple and later destroy the export trade, as the minimum buying price of hogs

in Ontario and Quebec would then always be determined by Buffalo and other near by United States markets. There would be then, as there are now, periods each year when, through some conditions peculiar to the United States, the buying price for hogs established by these United States markets would be higher than the relative value of export product. During such periods the hogs from Ontario would be marketed in Buffalo and Detroit. The Ontario and Quebec packer would be unable to operate, and for whatever length of time these conditions prevailed export product would not be made and hence would not be forwarded to Great Britain.

It is vital to the continuance of an export trade to Great Britain that shipments should go forward for arrival every week in the year. These shipments should be in quantity as nearly regular as possible each week during the year. This trade to Great Britain cannot be sustained unless such constancy of shipments is maintained. This export trade in Canadian bacon could not survive if the product were on the market for a period of weeks then off the market for a period of weeks. It is a trade which if cared for regularly is sufficiently generous in the average price established to make it worth while to the Canadian producer and packer, and it has been this trade, supplemented by the domestic business, which has made the establishment of the hog industry possible in the provinces of Ontaro and Quebec.

It may be argued that the Ontario and Quebec packers cannot object to the proposed changes. They have indicated that the average buying price of hogs in these provinces is higher than the average buying price of hogs in the United States, hence under reciprocity they would be in a position to buy and slaughter cheap American hogs.

It will be sufficient to point out that the extreme fluctuations in price in the United States would be the controlling factor. During periods when the buying price of hogs thus determined by the United States was unduly low, packers in these provinces would be able to operate on a large scale, making United States cuts for the export trade. During periods when a high price prevailed, determined by conditions peculiar to the United States, and when there was no parity for the time being between such buying price thus established and the clearance value of export meats, the Ontario and Quebec packer would be forced to close down. Deprived of his western business through the lowering of the tariff, deprived of his export business during longer or shorter periods each year, the Ontario and Quebec packer would find his dependable trade confined to his local provincial business. This would be of insufficient volume to pay operating charges. The irregularity in the operation of packing houses under such conditions would introduce labour and other troubles and would so increase the operating charge per pound of product that the continuance of the business would be impossible.

We believe, therefore, that the interference with the regularity of export shipments, the interference with the existing market for domestic products, and the consequent interference with the regularity of operation of the packing houses which would follow the adoption of the proposed reciprocity agreement, would result in the destruction of the meat packing industry in Ontario and Quebec.

We believe in addition that the industry of hog raising in these provinces would be greatly injured and would ultimately fall into minor proportions. Farmers would be denied the advantages under which the industry has been established, as the buying price for hogs is now determined by returns secured from export and interprovincial trade, with the consequent general average of buying prices higher than those current in the United States. With the return of the inevitably low prices in the United States, and for long periods, similarly low prices must follow in these provinces. For the reasons given we do not consider that the Ontario and Quebec farmer under reciprocity would secure the advantages of the occasionally high United States market and retain the advantages of the present generally high hog market which is the outcome of the present export trade to Great Britain. Reciprocity as proposed would ultimately result in the price paid for hogs in Ontario and Quebec being deter-

mined solely by United States hog prices. We do not consider that the feeding conditions in Ontario and Quebec are fairly competitive with the feeding conditions of the western United States. We believe that forced into lower values by the United States feeders, farmers in the provinces of Ontario and Quebec would become discouraged and would ultimately largely go out of the business of hog raising.

We therefore respectfully but earnestly press upon you our conviction that if the proposed reciprocal agreement becomes operative, the meat packing and hog raising industries in Ontario and Quebec will fall into such small proportions that they will practically cease to be industries of the country. This will impose great loss and severe hardship upon the packers, deprive their workpeople of employment, turn the farmers in these provinces from the production of hogs, and deprive the country generally of the direct and collateral advantages of important industries.

The gravely serious situation incident to these proposals and the importance that the statements which we have made may command your respect, seem to make it fitting that we should refer to the unfortunate spirit of suspicion to which the industry with which we are identified has been subjected for many years. It has been so commonly and continuously asserted that through combination or agreement the packers in the provinces of Ontario and Quebec denied to the producer a just value for his stock and to the consumer a reasonable price for the products which he used, that it is now generally accepted that some such combination or understanding exists, or did exist. We desire to earnestly assure you that there has been at no time any foundation in fact for such impressions or belief. There is not now, there has not been at any time, a combination, or any form of understanding, implied or actual, whereby the buying price of hogs or cattle has been fixed, or the selling price of products established. Every house in the trade, independent of every other house, has sought to interpret their day to day operations as their best judgment might direct. Without intermission during all the years in which the trade has been carried on, the price of hogs and cattle has been determined under active competitive conditions, as has the sale of the product from such hogs and cattle. Notwithstanding frequent denials by everyone in the trade, the charge which originated in imagination has grown to be generally accepted as true. It has not at any time been supported by evidence. It could not be so supported, as none existed.

RETURN

(119)

To an Order of the House of Commons, dated the 25th January, 1911, calling for a statement showing:—

(1) How much wheat was exported from Canada for the crop years ending August 31, 1908, 1909 and 1910.

(2) How much wheat was exported from Canada through United States ports during 1908, 1909 and 1910, naming said ports, and amount exported from each port.

(3) How many terminal grain elevators are there at Port Arthur and Fort William, and what is the name of each.

(4) How much grain was shipped through each elevator at Port Arthur and Fort William during each year 1908, 1909 and 1910, and what are the names of the elevators, respectively.

(5) How much wheat was exported from Canada during each crop year 1908, 1909 and 1910, not passing through the terminal elevators at Port Arthur and Fort William.

(6) How many men are employed by the Government in connection with the terminal elevators at Port Arthur and Fort William, and what is the total salary paid the men per year.

CHAS. MURPHY,
Secretary of State.

Statement showing amount of Grain exported from Canada during 1908, 1909 and 1910.

Q. 1. How much wheat was exported from Canada for the crop years ending August 31, 1908, 1909 and 1910?

A. 1. 1908—39,591,383 bushels.
1909—45,879,058 "
1910—52,298,646 "

Q. 2. How much wheat was exported from Canada through United States ports during 1908, 1909 and 1910, naming said ports, and amount exported from each port?

	1908. Bush.	1909. Bush.	1910. Bush.
Baltimore	88,432	465,773	1,801,294
Boston	7,687,745	7,420,969	8,012,253
New York	4,333,115	5,100,117	5,911,085
Philadelphia	2,473,284	5,690,749	4,995,553
Portland	5,186,129	1,809,880	6,409,286
Total	19,768,705	23,487,488	27,129,471

Q. 3. How many terminal grain elevators are there at Port Arthur and Fort William, and what is the name of each?

A. 3. Fort William—

	Number.
Canadian Pacific Railway	3
Empire Elevator Company	1
Consolidated Elevator Co.	1
Ogilvie Flour Mills Co., Ltd.	1
Western Terminal Elevator Co.	1
Grand Trunk Pacific Elevator Co.	1
Black & Muirhead	1
Davidson & Smith	1
Total	10

Port Arthur—

Port Arthur Elevator Co., Ltd.	2
David Horn & Co.	1
Thunder Bay Elevator Co.	1
National Elevator Co.	1
Total	5
Grand total	15

Q. 4. How much grain was shipped through each elevator at Port Arthur and Fort William during each year 1908, 1909 and 1910, and what are the names of the elevators, respectively?

Crop Year, 1908. Name of elevator—	Total Grain. Bush.	
Canadian Pacific Railway	22,360,510	
Empire Elevator Co.	8,858,508	
Consolidated Elevator Co.	6,769,568	
Total—Fort William		37,988,586
Port Arthur Elevator Co.	30,387,270	
Jas. G. King & Co.	2,990,826	
Total—Port Arthur		33,378,096
Grand total		61,366,682
Crop Year, 1909.		
Canadian Pacific Railway	27,511,990	
Empire Elevator Co.	10,392,207	
Consolidated Elevator Co.	7,306,976	
Ogilvie Flour Mills Co., Ltd.	5,435,934	
Total—Fort William		50,647,107
Port Arthur Elevator Co.	24,119,283	
Jas. G. King & Co.	2,999,201	
Total—Port Arthur		27,118,484
Grand total		77,765,591
Crop Year, 1910.		
Canadian Pacific Railway	29,079,118	
Empire Elevator Co.	12,019,973	
Consolidated Elevator Co.	8,554,513	
Ogilvie Flour Mills Co., Ltd.	7,873,114	
Western Terminal Elevator Co.	3,587,419	
Black & Muirhead	254,740	
Total—Fort William		61,368,907
Port Arthur Elevator Co.	29,354,966	
Jas. G. King & Co.	3,423,069	
Thunder Bay Elevator Co.	6,212,614	
Total—Port Arthur		38,990,589
Grand total		77,765,591

Q. 5. How much wheat was exported from Canada during each crop year 1908, 1909 and 1910, not passing through the terminal elevators at Port Arthur and Fort William?

A. 5. 1908—1,350,340 bushels.
1909—1,325,100 "
1910—3,542,190 "

Q. 6. How many men are employed by the Government in connection with the terminal elevators at Port Arthur and Fort William, and what is the total salary paid the men per year?

	No. of Employees.	Salaries.
Fort William	96	50,714 45
Port Arthur	..	10,566 50
		61,280 95

DEPARTMENT OF TRADE AND COMMERCE,
OTTAWA, February 6, 1911.

RETURN

(131)

To an Order of the Senate, dated the 9th February, 1911, showing the importations by the Dominion from the United States in the year 1910, of the following commodities:—

1. Beef and live cattle.
2. Sheep.
3. Poultry.
4. Ham.
5. Pork.
6. Bacon.
7. Flour.
8. Wheat.
9. Barley.
10. Also cheese and eggs.

With the value of the different articles.

Showing also the exportations from the Dominion to the United States of the corresponding products with their relative value.

CHAS. MURPHY,
Secretary of State.

STATEMENT showing the Quantity and Value of the undermentioned Articles entered for Consumption in Canada from the United States and Exported from Canada to the United States, during the Fiscal Year ended March 31, 1910.

Articles.	Unit of Quantity.	Entered for Consumption in Canada from the United States.		Exports (Canadian Produce) from Canada to the United States.	
		Quantity.	Value.	Quantity.	Value.
Cattle	No.	1,012	$ 25,150	12,210	$ 642,674
Beef	Lbs.	1,721,926	114,215	310,442	38,421
Sheep	No.	35,844	131,492	104,349	569,679
*Poultry	$	.....	52,597	.....	120,992
Ham and Bacon	Lbs.	5,453,257	816,042	60,569	7,678
Pork	"	9,312,602	980,150	51,637	9,793
Flour of wheat	Brls.	31,398	156,001	126,155	571,938
Wheat	Bush.	54,964	55,139	1,856,181	1,883,647
Barley	"	164,532	99,810	147,596	66,608
Cheese	Lbs.	215,741	45,319	154,490	23,995
Eggs	Doz.	750,476	177,577	35,732	11,551
			$2,653,492		$3,969,976

* Includes game in the Exports.

DEPARTMENT OF CUSTOMS,
OTTAWA, February 20, 1911.

RETURN

(139)

GREY.

The Governor General transmits to the House of Commons the Fourth Joint Report of the Commissioners for the demarcation of the Meridian of the 141st degree of West Longitude (Alaska Boundary) appointed in virtue of the First Article of the Convention between Great Britain and the United States, signed at Washington on the 21st April, 1906.

Government House,

20th February, 1911.

GREY.

Le Gouverneur Général transmet à la Chambre de Communes le quatrième rapport conjoint sur la délimitation de la ligne mérédienne au 14 lième dégré de longitude occidentale (Frontiére de l'Alaska) des commissaires nommés en vertu du premier paragraphe d'une convention faite entre la Grande Bretagne et les Etats-Unis, et signée à Washington le 21 avril, 1906.

Hôtel du Gouvernement,

20th février, 1911.

CERTIFIED *copy of a Report of the Committee of the Privy Council, approved by His Excellency the Governor General on the 15th February, 1911.*

The Committee of the Privy Council have had before them a memorandum, dated 30th January, 1911, from the Minister of the Interior, submitting the Fourth Joint Report of the Commissioners for the demarcation of the Meridian of the 141st degree of west longitude, (Alaska Boundary, appointed in virtue of the First Article of the Convention between Great Britain and the United States, signed at Washington on the 21st April, 1906.

The Committee, on the recommendation of the Minister of the Interior, advise that the said Report be deposited with the other documents of record in the Department of the Interior having reference to External Boundaries of Canada, and that a copy thereof be laid before the Senate and the House of Commons.

The Committee further advise that Your Excellency may be pleased to forward a certified copy of the said Report to the Right Honourable the Secretary of State for the Colonies, for the information of His Majesty' Government.

All which is respectfully submitted.

RODOLPHE BOUDREAU,
Clerk of the Privy Council.

FOURTH JOINT REPORT OF THE COMMISSIONERS FOR THE DEMARCATION OF THE 141ST DEGREE OF WEST LONGITUDE.

The undersigned Commissioners, appointed in virtue of the First Article of the convention between the United States and Great Britain, signed at Washington on the 21st of April, 1906, have the honour to present their fourth annual report upon the progress of the demarcation of the 141st meridian where it forms the boundary line between the United States and Canada.

By reference to our third annual report, it will be seen that between Natazhat Ridge and the Yukon River, there remained 57 miles of vista cutting and 101 miles of monumenting to be done in order to complete the work between Mound Natazhat and the crossing of the boundary on the Yukon River.

During the past season this work was done, thus completing the boundary between Natazhat Ridge and the Yukon River. A second joint party traced the line from a point about 40 miles north of the Yukon River, the terminus of last year's work, to 10 miles north of the crossing on the Porcupine River, and the same stretch of country was covered by a belt of triangulation. The topography was taken up at the Yukon River and a belt was mapped for a distance of 144 miles northward from the initial point on the Yukon to latitude 67° 43′ N. The line cutting was begun at a point about 40 miles north of the Yukon and carried northward about 63 miles and the monumenting was completed for a distance of 45 miles, reaching latitude 65° 55′ N. The line of precise levels connecting the tidal station at Skagway, by way of White Pass and Dawson, with a point on the 141st meridian has been completed.

A recapitulation of the work done by the various parties in 1910, shows the following results:—

Line projecting	157 miles.
Length of triangulation net	152 "
Length of topographic belt	144 "
Distance monumented	146 "
Number of monuments planted	49
Precise levels run	130 "
Vista opened and stadia line	116 "

(Sgd.) W. F. KING,
H. B. M. Commissioner.

(Sgd.) O. H. TITTMANN,
U. States Commissioner.

28th December, 1910.

RETURN

(153)

To an Order of the House of Commons, dated 23rd January, 1911, calling for a copy of the By-laws, Rules and Regulations of the Canadian Bankers' Association as approved by the Treasury Board and now in effect.

CHAS. MURPHY,

Secretary of State.

RE CANADIAN BANKERS' ASSOCIATION.

Passed at a General Meeting of the Association, held in Toronto on November 15, 1900, and amended at a General Meeting of the Association held in Montreal on April 15, 1901.

BY-LAWS OF THE CANADIAN BANKERS' ASSOCIATION.

A Corporation created by Special Act of the Parliament of Canada, 63 and 64 Vict., C. 93 (1900).

The following By-laws are hereby enacted as By-laws of the Canadian Bankers' Association:—

Circulation. 13. *(a)* A monthly return shall be made to the President of the Canadian Bankers' Association by all banks doing business in Canada, whether members of the Canadian Bankers' Association or not, in the form hereinafter set forth; said return shall be made up and sent in within the first fifteen days of each month, and shall exhibit the condition of the bank's note circulation on the last judicial day of the month next preceding; and every such monthly return shall be signed by the Chief Accountant or Acting Chief Accountant and by the President or Vice-President, or by any Director of the bank, and by the General Manager, Cashier, or other Chief Executive officer of the bank at its chief place of business. Every such monthly return which shows therein notes destroyed during such month, shall be accompanied by a certificate or certificates in the form hereinafter set forth, covering all the notes mentioned as destroyed in such return, signed by at least three of the Directors of the bank, and by the Chief Executive officer or some officer of the bank acting for him stating that the notes mentioned in such certificate or certificates have been destroyed in the presence of and under the supervision of the persons respectively signing such certificate or certificates respectively.

FORM OF MONTHLY RETURN OF CIRCULATION ABOVE MENTIONED.

CIRCULATION STATEMENT OF THE

(Here state name of Bank)

for the month of.....19

Credit Balance of Bank Note Accounts on last day of preceding month (inclusive of unsigned notes)..		$
Add notes received from printers during the month, viz.:		
From..	$	$
"	$	$
		$
Less notes destroyed during month (as per certificate herewith)..		$
Balance of Bank Note Accounts on last day of month..		$
Less notes on hand, viz.:		
Signed..	$	
Unsigned..	$	$
Notes in circulation on last day of month..		$

.. ..

(*b*) For all purposes of this by-law, the chief place of business of the Bank of British North America shall be the chief office of the said bank at the city of Montreal, in the province of Quebec.

And in the case of the said Bank of British North America the said monthly circulation return shall be signed by the General Manager's clerk, or Acting General Manager's clerk, and by the General Manager or the Acting General Manager of the said Bank; and the said Certificate of Destruction of Notes shall be signed by the General Manager or Acting General Manager, the Inspector or Assistant Inspector, and the local Manager of the Montreal Branch or the Acting local Manager of the Montreal Branch of the said bank, instead of by the persons respectively hereinbefore directed to sign the said returns respectively.

(*c*) Every bank which neglects to make up and send in as aforesaid any monthly return required by this by-law within the time by this by-law limited, shall incur a penalty of fifty dollars for each and every day after the expiration of such time during which the bank neglects so to make up and send in such return.

(d) The Executive Council of the Association shall have power, by resolution, at any time to direct that an inspection shall be made of the Circulation Accounts of any bank by an officer or officers to be named in such resolution, and such inspection shall be made accordingly.

(e) Some person or persons appointed from time to time by the Executive Council of The Association shall during the year 1901 and during every year thereafter, make inspection of the Circulation Accounts of every bank doing business in Canada, whether members of the Association or not, and shall report thereon to the Council; and upon every such inspection all and every the officers of the bank whose Circulation Account shall be so inspected, shall give and afford to the officer or officers making such inspection, all such information and assistance as he or they may require to enable him or them fully to inspect said Circulation Account, and to report to the Council upon the same, and upon the means adopted for the destruction of the notes.

(*f*) The amount of all penalties imposed upon a bank for any violation of this by-law shall be recoverable and enforceable with costs; at the suit of the Canadian Bankers' Association, and such penalties shall belong to the Canadian Bankers' Association for the uses of the Association.

(g) The President of the Canadian Bankers' Association shall each month have printed and forwarded to the Chief Executive officer of every bank in Canada subject to the Bank Act, whether a member of the Association or not, a statement of the Circulation returns of all the Banks in Canada for the last preceding month, as received by him.

(*h*) In this by-law it is declared for greater certainty that the Canadian Bankers' Association herein mentioned and referred to is the Association incorporated by Special Act of Parliament of Canada, 63 and 64 Vict., C. 93.

Curator.—14. Whenever any bank suspends payment, a Curator, as mentioned in Sect. 24 of the Bank Act Amendment Act, 1900, shall be appointed to supervise the affairs of such bank. Such appointment shall be made in writing by the President of the Association or by the person who, during a vacancy in the office of, or in the absence of, the President, may be acting as President of the Association.

If the Curator so appointed dies, or resigns, another Curator may be appointed in his stead in the manner aforesaid.

The Executive Council may, by resolution, at any time remove a Curator from office and appoint another person Curator in his stead.

A Curator so appointed shall have all the powers, and subject to the provisions of by-law No. 15, shall perform all the duties imposed upon the Curator by the said Bank Act Amendment Act; he shall also furnish all such returns and reports and give all such information touching the affairs of the suspended bank as the President of the Association or the Executive Council may require of him from time to time.

The remuneration of the Curator for his services and his expenses and disbursements in connection with the discharge of his duties shall be fixed and determined from time to time by the Executive Council.

15. Whenever a bank suspends payment and a Curator is accordingly appointed, the President shall also appoint a local Advisory Board consisting of three members, selected generally so far as possible from among the General Managers, Assistant General Managers, Cashiers, Inspectors or Chief Accountants, or Branch Managers of any bank at the place where the Head Office of such suspended bank is situated, and the Curator shall advise from time to time with such Advisory Board, and it shall be his duty, before taking any important step in connection with his duties as Curator, to obtain the approval of such Advisory Board thereto. With the sanction of such Advisory Board, he may employ such assistants as he may require for the full performance of his duties as Curator.

Clearing Houses.—16. The rules and regulations contained in this by-law are made in pursuance of the powers contained in the Act to Incorporate the Canadian Bankers' Association, 63 and 64 Vict., C. 93 (1900), and shall be adopted by, and shall be the Rules and Regulations governing all Clearing Houses now existing and established, or that may be hereafter established.

RULES AND REGULATIONS RESPECTING CLEARING HOUSES MADE IN PURSUANCE OF THE POWERS CONTAINED IN THE ACT TO INCORPORATE THE CANADIAN BANKERS' ASSOCIATION.

1. The chartered banks doing business in any city or town, or such of them as may desire to do so, may form themselves into a Clearing House. Chartered banks thereafter establishing offices in such city or town may be admitted to the Clearing House by a vote of the members.

2. The Clearing House is established for the purpose of facilitating daily exchanges and settlements between banks. It shall not either directly or indirectly be used as a means of obtaining payment of any item, charge or claim disputed, or objected to. It is expressely agreed that any bank receiving exchanges through the Clearing House shall have the same rights to return any item, and to refuse to credit any sum which it would have had were the exchanges made directly between the banks concerned, instead of through the Clearing House; and nothing in these or any future rules, and nothing done, or omitted to be done thereunder, and no failure to comply therewith shall deprive a bank of any rights it might have possessed had such rules not been made, to return any item or refuse to credit any sum; and payment through the Clearing House of any item, charge or claim shall not deprive a bank of any right to recover back the amount so paid.

3. The annual meeting of the members shall be held on such day in each year, and at such time and place as the members may fix by by-law. Special meetings may be called by the Chairman or Vice-Chairman whenever it may be deemed necessary, and the Chairman shall call a special meeting whenever requested to do so in writing by three or more members.

4. At any meeting each member may be represented by one or more of its officers, but each bank shall have one vote only.

5. At every annual meeting there shall be elected by ballot a Board of Management, who shall hold office until the next annual meeting, and thereafter until their successors are appointed. They shall have the general oversight and management of the Clearing House. They shall also deal with the expenses of the Clearing House, and the assessments made therefor. In the absence of any member of the Board of Management, he may be represented by another officer of the bank of which he is an officer.

6. The Board of Management shall at their first meeting after their appointment, elect out of their own number a Chairman, a Vice-Chairman, and a Secretary-Treasurer, who shall perform the duties customarily appertaining to these offices.

The officers so selected shall be respectively the Chairman, Vice-Chairman, and Secretary-Treasurer of the Clearing House.

Should the bank of which the Chairman is an officer be interested in any matter, his powers and duties shall, with respect to such matter, be exercised by the Vice-Chairman, who shall also exercise the Chairman's duties and powers in his absence.

7. Meetings of the board may be held at such times as the members of the same may determine. A special meeting shall be called by the Secretary-Treasurer on the written requisition of any member of the Clearing House for the consideration of any matter submitted by it, of which meeting 24 hours notice shall be given, and if such meeting is for action under Rules 15 or 16, it shall be called immediately.

8. The expenses of the Clearing House shall be met by an equal assessment upon the members, to be made by the Board of Management.

9. Any bank may withdraw from the Clearing House by giving notice in writing to the Chairman or Secretary-Treasurer between the hours of 1.00 and 3.00 o'clock P.M. and paying its due proportion of expenses and obligations then due. Said retirement to take effect from the close of business of the day on which such notice is given. The other banks shall be promptly notified of such withdrawal.

10. The Board of Management shall arrange with a bank to act as Clearing House for the receipt and disbursement of balances due by and to the various Banks, but such bank shall be responsible only for the moneys and funds actually received by it from the debtor banks and for the distribution of the same amongst the creditor Banks on the presentation of the Clearing House certificates preperly discharged. The Clearing Bank shall give receipts for balances received from the debtor banks. The Board of Management shall also arrange for an officer to act as Manager of the Clearing House from time to time, but not necessarily the same officer each day.

11. The hours for making the Exchanges at the Clearing House, for payment of the debit balances to the Clearing Bank, and for payment out of the balances due the creditor banks, shall be fixed by by-law under clause 17. On completion of the exchanges, the balances due to or by each bank shall be settled and declared by the Clearing House Manager, and if the clearing statements are readjusted under the provisions of these rules, the balances must then be similarly declared settled, and the balances due by debtor banks must be paid into the Clearing Bank, at or during the hours fixed by by-law as aforesaid, provided that no credit balance, or portion thereof, shall be paid until the debit balances have been received by the Clearing Bank. At Clearing Houses where balances are payable in money they shall be paid in legal tender notes of large denominations.

At Clearing Houses where balances are payable by draft, should any settlement draft given to the Clearing Bank, not be paid on presentation, the Clearing Bank shall at once notify in writing all the other banks of such default; and the amount of the unpaid draft shall be repaid to the clearing bank by the bank whose clearances were against the defaulting bank on the day the unpaid draft was drawn, in proportion to such balances. The Clearing Bank shall collect the unpaid draft, and pay the same to the other banks in the above proportion. It is understood that the clearing bank is to be the agent of the associated banks, and to be liable only for moneys actually received by it.

Should any bank make default in paying to the Clearing Bank its debit balance, within the time fixed by this rule, such debit balance and interest thereon shall then be paid by the bank so in default to the Chairman of the Clearing House for the time being, and such Chairman and his successor in office from time to time shall be a creditor of and entitled to recover the said debit balance, and interest thereon from the defaulting bank. Such balances, when received by the said Chairman or his

successor in office, shall be paid by him to the Clearing Bank for the benefit of the banks entitled thereto.

12. In order that the Clearing statements may not be unnecessarily interfered with, it is agreed that a bank objecting to any item delivered to it through the Clearing House, or to any charge against it in the exchanges of the day, shall, before notifying the Clearing House Manager of the objection, apply to the bank interested for payment of the amount of the item or charge objected to, and such amount shall thereupon be immediately paid to the objecting bank. Should such payment not be made the objecting Bank may notify the Clearing House Manager of such objection and non-payment, and he shall thereupon deduct the said amount from the settling sheets of the banks concerned, and readjust the Clearing statements and declare the correct balances in conformity with the changes so made, provided that such notice shall be given at least half an hour before the earliest hour fixed by by-law, as provided in clause 11, for payment of the balances due to the creditor banks. But notwithstanding that the objecting bank may not have so notified the Clearing House Manager, it shall be the duty under these rules of the bank interested to make such payment on demand therefor being made at any time up to 3 o'clock; provided, however, that if the objection is based on the absence from the deposit of any parcel or of any cheque or other item entered on the deposit slip notice of such absence shall have been given to the bank interested before 12 o'clock noon, the whole, however, subject to the provisions of Rule No. 2.

13. All bank notes, cheques, drafts, bills and other items (hereafter referred to as "items") delivered through the Clearing House to a bank in the exchanges of the day, shall be received by such bank as a trustee only, and not as its own property, to be held upon the following trust, namely,—upon payment by such bank at the proper hour to the Clearing Bank of the balance (if any) against it, to retain such items freed from said trust; and in default of payment of such balance, to return immediately and before 12.30 p.m., the said items unmarked and unmutilated through the Clearing House to the respective banks, and the fact that any item cannot be so returned shall not relieve the bank from the obligation to return the remaining items, including the amount of the bank's own notes so delivered in trust.

Upon such default and return of said items, each of the other banks shall immediately return all items which may have been received from the bank so in default, or to pay the amount thereof to the defaulting bank through the Clearing House. The items returned by the bank in default shall remain the property of the respective banks from which they were received, and the Clearing House Manager shall adjust the settlement of balances anew.

A bank receiving through the Clearing House such items as aforesaid, shall be responsible for the proper carrying out of the trust upon which the same are received as aforesaid, and shall make good to the other banks respectively all loss and damage which may be suffered by the default in carrying out such trust.

14. In the event of any bank receiving exchanges through the Clearing House, making default in payment of its debit balance (if any) then in lieu of its returning the items received by it as provided by Rule 13, the Board of Management may require the banks to which the defaulting bank, or an account being taken of the exchanges of the day between it and the other banks, would be a debtor, in proportion to the amounts which, on such accounting, would be respectively due to them, to furnish the Chairman of the Clearing House for the time being with the amount of the balance due by the defaulting bank, and such amount shall be furnished accordingly, and shall be paid by the Chairman of the Clearing Bank, which shall then pay over to the creditor banks the balances due to them in accordance with Rule 11. The said funds for the Chairman shall be furnished by being deposited in the Clearing Bank for the purpose aforesaid. The defaulting bank shall repay to the chairman for the time being, or to his successor in office, the amount of such debit balance and interest

thereon, and the said chairman, and his successor in office, shall be entitled to receive the same from the defaulting bank. Any moneys so recovered shall be held in trust for and deposited in the Clearing Bank for the benefit of the banks entitled thereto.

15. If a bank neglects or refuses to pay its debit balance to the Clearing Bank, and if such default be made not because of inability to pay, the Board of Management may direct that the exchanges for the day between the defaulting bank and each of the other banks be eliminated from the Clearing House statements, and that the settlements upon such exchanges be made directly between the banks interested, and not through the Clearing House. Upon such direction being given the Clearing House Manager shall comply therewith and adjust the settlement of balances anew, and the settlement of exchanges so eliminated shall thereupon be made directly between the banks interested.

16. Should any case arise to which, in the opinion of the Board of Management, the foregoing rules are inapplicable, or in which their operation would be inequitable, the board shall have power at any time to suspend the clearings and settlements of the day; but immediately upon such suspension the board shall call a meeting of the members of the Clearing House to take such measures as may be necessary.

17. Every Clearing House now existing, or that may hereafter be established, may enact by-laws, rules and regulations, for the government of its members, not inconsistent with these rules, and may fix therein among other things:—

1. The name of the Clearing House;
2. The number of members of the Board of Management and the quorum thereof;
3. The date, time and place for the annual meeting;
4. The mode of providing for the expenses of the Clearing House;
5. The hours for making exchanges, and for payment of the balances to or by the Clearing Bank;
6. The mode or medium in which balances are to be paid.

Any by-law, rule, or regulation passed or adopted under this clause may be amended at any meeting of the members, provided that not less than two weeks notice of such meeting, and of the proposed amendments, has been given.

RETURN

(157)

COPIES of all correspondence, Orders-in-Council, etc., etc., touching any proposal or bill to erect dams or other similar works across the River St. Lawrence, or part of the said River, at or near the Long Sault, or in the vicinity thereof.

P. C. 2491.

Certified copy of a Report of the Committee of the Privy Council, approved by His Excellency the Governor General on the 2nd November, 1900.

On a Memorandum dated 24th October, 1900, from the Acting Minister of Railways and Canals representing that, in order to the removal of certain cross currents which, at present, interfere with the full utilization of the Channel excavated through the rapids at the head of the Galops Canal for the accommodation of descending vessels, it is considered essential that a dam should be constructed from Adam's Island to Les Galops Island, the former being Canadian, the latter American territory, the International Boundary lying midway between the two. It is proposed that the work of constructing this dam, and its maintenance, should be defrayed entirely by the Dominion, the works to be benefited thereby being Canadian works.

The Minister further represents, however, that it is necessary that the consent of the Government of the United States be obtained for the execution of this project.

The Minister recommends that Your Excellency cause communication to be had with the Government of the United States, with a view of obtaining such consent. To this end he furnishes a plan, shewing the locality in question and the site of the proposed dam.

The Committee advise that Your Excellency be moved to forward a certied copy of this Minute, together with said plan, to Her Majesty's Ambassador to the United States.

All which is respectfully submitted for Your Excellency's approval.

RODOLPHE BOUDREAU,
Clerk of the Privy Council.

Copy. P. C. 490 L.
No. 130.

LORD PAUNCEFOTE TO LORD MINTO.

WASHINGTON,
November 13, 1900.

MY LORD,—

I have the honour to inform Your Excellency that on receipt of your despatch No. 95 of the 5th instant, I addressed a Note to the United States

Secretary of State informing him of the proposed construction by the Canadian Government of a dam for the improvement of navigation in a portion of the course of the St. Lawrence River, and requesting the consent of his Government for the undertaking of that part of the work which will be in United States territory.

I have now received a Note from Mr. Hay in reply, in which he informs me that the matter has been referred to the Secretary of State for War for examination with a view to bringing to the consideration of the United States Congress under the provisions of the River and Harbour Act, approved March 3, 1899.

I have the honour to transmit herewith a copy of this Act, par. 9 of which would appear to be the one necessitating a consideration of the question by Congress.

This section is to be found on page 34 of the Act.

I have, &c.,

(Sgd.) H. NORMAN,
(For the Ambassador.)

His Excellency
The Earl of Minto, G.C.M.G.,
&c., &c., &c.

(Public — No. 189)

An Act making appropriations for the construction, repair, and preservation of certain public works on rivers and harbours, and for other purposes.

SEC. 9. That it shall not be lawful to construct or commence the construction of any bridge, dam, dike, or causeway over or in any port, roadstead, haven, harbour, canal, navigable river, or other navigable water of the United States until the consent of Congress to the building of such structures shall have been obtained and until the plans for the same shall have been submitted to and approved by the Chief of Engineers and by the Secretary of War; *Provided*, That such structures may be built under authority of the Legislature of a State across rivers and other waterways, the navigable portions of which lie wholly within the limits of a single State, provided the location and plans thereof are submitted to and approved by the Chief of Engineers and by the Secretary of War before construction is commenced; *and provided further*, That when plans for any bridge or other structure have been approved by the Chief Engineers and by the Secretary of War, it shall not be lawful to deviate from such plans either before or after completion of the structure unless the modification of said plans has previously been submitted to and received the approval of the Chief of Engineers and of the Secretary of War.

P. C. 542 L.

Certified copy of a Report of the Committee of the Privy Council, approved by His Excellency the Governor General on the 7th November, 1901.

The Committee of the Privy Council have had under consideration a despatch, hereto attached, dated 12 January, 1901, from His Majesty's Ambassador to the United States relative to the request preferred on behalf of the Canadian Government for the consent of the United States Government to the construction of a dam from Adam's Island to Les Galops Island, the former

being Canadian, and the latter American territory, it appearing from the said communication that the matter has been submitted to Congress, as required by Statutory provisions.

The Minister of Railways and Canals, to whom the matter was referred, observes that no intimation has, so far, been received by him as to the action taken by Congress, and the question of making provision for the work requiring to be dealt with at an early date.

The Minister recommends that communication be had with the Government of the United States in order to ascertain the present position of the matter, and to expedite a definite reply to the request so preferred.

The Committee advise that His Excellency be moved to forward a certified copy of this minute to His Majesty's Ambassador at Washington.

All of which is respectfully submitted for His Excellency's approval.

RODOLPHE BOUDREAU,
Clerk of the Privy Council.

No. 4.

FROM LORD PAUNCEFOTE TO LORD MINTO.

BRITISH EMBASSY,
WASHINGTON,
January 12th, 1901.

MY LORD,—

With reference to Your Excellency's despatch No. 95 of November 5 last, I have the honour to transmit to Your Excellency, herewith, a copy of House document No. 297, 56th Congress, Second Session, which I have to-day received from the United States Government.

Your Excellency will perceive from this document that the request of the Canadian Government for the consent of the United States Government to the construction of a dam in the St. Lawrence River on that portion of United States territory which lies between Adams Island and Les Galops Island has been submitted to Congress by the Secretary of War, this course being deemed necessary by the Judge Advocate General.

I have, etc.,
(Sgd.) PAUNCEFOTE.

The Right Honourable
The Earl of Minto, G.C.M.G.,
etc., etc., etc.,
Governor General of Canada.

56th Congress, 2d Session. } Document No. 297.

HOUSE OF REPRESENTATIVES.

DAM FROM CANADIAN TO UNITED STATES TERRITORY.

LETTER
FROM THE SECRETARY OF WAR
transmitting,

With a letter from the Secretary of State, communications relating to the construction by the Dominion of Canada of a Dam from Canadian to United States Territory.

January 9, 1901.—Referred to the Committee on Rivers and Harbours, and ordered to be printed.

WAR DEPARTMENT,
WASHINGTON, January 7, 1901.

SIR,—

I have the honour to transmit herewith, for such action as Congress may deem appropriate, copy of a letter addressed to this Department by the Honourable the Secretary of State, under date of November 13 last, and its inclosure, copy of a note from the British Ambassador touching the proposed construction by the Government of the Dominion of Canada of a dam from Adams Island, in Canadian territory, to Les Galops Island, in United States territory, and requesting the consent of this Government for the construction, at the Canadian Government's expense, of that part of the work which will be in United States territory. Copy of report of the Chief of Engineers, United States Army, dated December 24 ultimo, from which it appears that there is no objection to the proposed dam so far as the questions of engineering and navigation are concerned; also copy of a report of the Judge-Advocate-General of the Army, expressing the opinion that Congress alone can give the consent of the United States to the proposed construction, are also herewith.

Very respectfully,

ELIHU ROOT,
Secretary of War.

THE SPEAKER OF THE HOUSE OF REPRESENTATIVES.

DAM FROM CANADIAN TO UNITED STATES TERRITORY.

DEPARTMENT OF STATE,
WASHINGTON, November 13, 1900.

SIR,—

Referring to section 9 of the river and harbour act, approved March 3, 1899, I have the honour to inclose herewith, for an expression of your views and those of the Chief Engineer, a copy of a note from the British Ambassador, transmitting an extract from a report of the Canadian Privy Council touching the proposed construction by the Government of the Dominion of a dam from Adams Island, in Canadian territory, to Les Galops Island, in United States territory, and requesting the consent of this Government for the construction, at the Canadian Government's expense, of that part of the work which will be in United States territory.

The position of the proposed dam is indicated on the accompanying plan, the return of which is requested by Lord Pauncefote after examination.

I have the honour to be, sir, your obedient servant,

JOHN HAY.

The Secretary of War.

BRITISH EMBASSY,
WASHINGTON, November 8, 1900.

SIR,—

I have the honour to transmit to you herewith a copy of an approved minute of the Privy Council for Canada, which I have received from the Governor General in an official dispatch, representing that with a view to improving

the navigation of the channel excavated through the rapids at the head of the Galops Island, in the St. Lawrence River, the Government of the Dominion propose to construct a dam from Adams Island, in Canadian territory, to Les Galops Island, in United States territory.

As it is necessary for the carrying out of this proposal that the consent of your Government should be obtained for the construction of that part of the work which will be upon United States territory, I am requested by His Excellency to approach you on the subject with a view to obtaining the desired permission, should there be no objection.

Lord Minto observes that the entire cost of the construction and maintenance of this work will be defrayed by the Dominion.

The position of the proposed dam is indicated on the accompanying plan, which I have the honour to request may be returned to me after examination.

I have the honour to be, with the highest consideration, sir,

Your most obedient, humble servant,

PAUNCEFOTE.

Hon. John Hay.

(Second Indorsement)

WAR DEPARTMENT,
OFFICE CHIEF OF ENGINEERS, U.S.A.,
December 24, 1900.

Respectfully returned to the Secretary of War.

The Secretary of State incloses a note from the British Ambassador regarding the propoesd construction by the Dominion Government of a dam across a channel of the St. Lawrence River between Adams and Les Galops Islands. The object of the proposed dam is stated to be for the improvement of navigation through the rapids at the head of Les Galops Island; and I am informed by the district engineer officer that there is not only no objection to the dam, so far as the river engineering and navigation interests are concerned, but, on the contrary, such a dam would be an advantage to all vessels, American as well as Canadian, which navigate this part of the St. Lawrence River. I am further informed that the channel across which the dam is to be built is seldom navigated.

The consent of this Government is desired for the construction of that part of the work which will be upon United States territory.

I know of no objection, so far as questions of engineering and navigation are concerned, to this consent being given by the Secretary of War, if it is permissable in view of the provisions of section 9 of the Act of March 3, 1899. If under this law it is held that the Secretary of War has no power to authorize the construction of that portion of the structure on the American side of the channel, I suggest that the matter be brought to the attention of Congress with a view to obtaining legislative sanction of the project.

(Sgd.) JOHN M. WILSON,
Brig. Gen., Chief of Engineers, U. S. Army.

(Fourth Indorsement)

JUDGE-ADVOCATE-GENERAL'S OFFICE,
WASHINGTON, D.C., December 27, 1900.

Respectfully returned to the Secretary of War, inviting attention to the second indorsement hereon.

In my opinion Congress alone can give the consent of the United States to the construction of the proposed dam.

G. N. LIEBER,
Judge-Advocate-General.

Copy. P. C. 951 L.
No. 118.

FROM LORD PAUNCEFOTE TO LORD MINTO.

BRITISH EMBASSY,
WASHINGTON, November 21, 1901.

MY LORD,—

I have the honour to acknowledge the receipt of Your Excelleney's despatch No. 85 of the 11th instant relative to the request of your Government for the consent of the United States Government to the construction of that part of the proposed dam in the St. Lawrence from Adam's Island to Les Galops Island which will be in United States territory, in which you express the desire of Ministers to be informed of the present position of the affair in view of the importance of an early answer.

I have the honour to state in reply that the Committee of the House of Representatives on Rivers and Harbours to whom, as Your Excelleney is aware, the matter was referred by the United States Secretary of War, had not yet reported upon it when the last Congress was dissolved.

I have accordingly addressed a note to the Secretary of State of the United States representing to him the importance of an early answer to the request of Your Excellency's Government in view of the consideration named in your despatch, and requesting him to be good enough to take steps to cause the matter to be brought to the notice of the approaching sitting of Congress at as early a date as may be practicable.

I have, etc.,

PAUNCEFOTE.

Copy. P. C. 958 L.
No. 121.

FROM LORD PAUNCEFOTE TO LORD MINTO.

BRITISH EMBASSY,
WASHINGTON, November 2, 1901.

MY LORD,—

In continuation of my despatch No. 118 of the 21st instant, I have the honour to state that I have received a further note from the Secretary of State of the United States in which he informs me that he has requested the Secretary of War to recall to the attention of Congress the request of Your Excelleney's Government for the consent of the United States Government to the construcion of that part of the proposed dam in the St. Lawrence from Adam's Island to Les Galops Island which will be in United States territory.

I have, etc.,

PAUNCEFOTE.

Copy.
No. 130.

P. C. 986 L.

FROM LORD PAUNCEFOTE TO LORD MINTO.

BRITISH EMBASSY,
WASHINGTON, December 23, 1901.

MY LORD,—

With reference to my despatch No. 118 of the 21st ultimo, I have the honour to inform Your Excellency that I have now received a note from the United States Secretary of State informing me that the United States Secretary of War has again called the attention of Congress to the request of your Government for the consent of the United States Government to the construction of a dam in the St. Lawrence River between Adam's Island and Les Galops Island.

I shall not fail to give Your Excellency the earliest information of any decision which Congress may arrive at on this point, and to expedite the matter so far as it may be in my power to do so.

I have, etc.,
PAUNCEFOTE.

P. C. 1067 L.

DEPARTMENT OF RAILWAYS AND CANALS,
OTTAWA, April 3rd, 1902.

The undersigned has the honour to acknowledge the receipt of a reference made to him from the Hon. the Privy Council, dated the 27th ultimo, being a copy of a communication, dated the 12th ultimo, from the British Ambassador at Washington, covering a copy of a letter from the Secretary of State of the United States, relative to the request, preferred on behalf of the Canadian Government, for the consent of his Government to the construction of a dam from Adam's Island to Les Galops Island, the former being Canadian, and the latter American territory, asking whether it is desired to furnish any additional information to the Sub-Committee on Foreign Affairs, to whom, he says, the matter has been referred, and, in reply, to say that no further information appears to be necessary, especially as the United States Government has had the site of the proposed dam examined by an engineer.

(Sgd.) ANDW. G. BLAIR,
Minister of Railways and Canals.

John J. McGee, Esq.,
Clerk, Privy Council,
Ottawa.

Copy.
No. 21.

FROM LORD PAUNCEFOTE TO LORD MINTO.

BRITISH EMBASSY,
WASHINGTON, March 12, 1902.

MY LORD,—

In my despatch No. 4 of January 12, 1901, I had the honour of informing Your Excellency that the request of the Canadian Government to the construc-

tion of a dam in the St. Lawrence River in that portion of United States territory which lies between Adams Island and Les Galops Island had been submitted to Congress by the Secretary of War. I am now in receipt of a note from the United States Government, copy of which I have the honour to enclose, stating that the Chairman of the Sub-Committee on Foreign Affairs is not familiar with the proposed measure or its requirements, and that any facts submitted to the Committee will receive attention. I have the honour to enquire whether any further information should be furnished to the United States Government in addition to that contained in the Minute of November 2, 1900, which was communicated to the United States Government, together with the plan of the proposed works.

This plan was returned to His Majesty's Embassy, and I propose to submit it again to the United States Government on receipt of Your Excellency's reply.

I have, etc.,
(In the absence of the Ambassador)
(Sgd.) ARTHUR S. RAIKES.

Copy.
No. 2388.

DEPARTMENT OF STATE,
WASHINGTON, March 6, 1902.

EXCELLENCY,—

Referring to previous correspondence with your Embassy touching the request of the Canadian Government for the consent of this Government to the construction of a dam in the St. Lawrence River partly within the territory of the United States, I have the honour to inform you that I am in receipt of a communication from the Chairman of the Sub-Committee on Foreign Affairs, to whom the matter has been referred. The Chairman states that the Sub-Committee has no familiarity with the proposed measure or its requirements, and that any facts submitted to the Committee will receive consideration.

With your note of November 8, 1900, on the subject, you transmitted for my examination a plan showing the locality and site of the proposed dam. The plan was returned on January 15, 1901, at your request. I have the honour to enquire whether you would wish to submit this plan to the Committee with any additional information you may possess of service to the Committee in the pending matter.

I have, etc.,
JOHN HAY.

P. C. 1159.

Certified copy of a Report of the Committee of the Privy Council, approved by His Excellency the Governor General on the 16th July, 1902.

On a Memorandum dated 30th June, 1902, from the Minister of Railways and Canals, submitting that under authority of Orders in Council of 2nd November, 1900, and 7th November, 1901, communication was had with the Government of the United States with the object of obtaining their consent to the construction of a dam from Adams Island to Les Galops Island, in the River St. Lawrence, the former being Canadian, the latter American territory.

SESSIONAL PAPER No. 157.

The Minister represents that from newspaper reports it would appear that the requisite authorization has recently been given as desired. No official notification, however, has so far been received by the Government of Canada.

The Committee, on the recommendation of the Minister of Railways and Canals, advise that the Administrator be moved to communicate with His Majesty's Ambassador at Washington in order to ascertain, officially, the correctness or otherwise of such reports, the season for operations of the nature required in this connection being short, and it being desirable that any delay in the matter should be avoided.

All of which is respectfully submitted.

RODOLPHE BOUDREAU,
Clerk of the Privy Council.

No. 76

P. C. 1227 L.

BRITISH EMBASSY,
BAR HARBOUR, MAINE, July 16, 1902.

SIR,—

With reference to Lord Pauncefote's despatch No. 118 of November 21, 1901, I have the honour to inform you that I have received a communication from the United States Government enclosing a copy of an Act which I transmit herewith, giving, under certain conditions therein set forth, the consent of the United States to the construction by the Canadian Government of so much of the dam proposed to be constructed from Adams Island in the St. Lawrence river to Les Galops Island, as may be upon United States territory.

I have the honour to be,
Sir,
Your most obedient, humble servant,
(Sgd.) ARTHUR S. RAIKES.

The Right Honourable Sir Henry Strong,
etc., etc., etc.,
Administrator of the Dominion of Canada.

F.M.W.

(Public — No. 164)

AN ACT allowing the construction of a dam across the Saint Lawrence River.

Whereas, it is represented that the Government of the Dominion of Canada, with a view of improving the navigation of the channel excavated through the rapids at the head of Les Galops Island, in the Saint Lawrence River, proposes to construct a dam from Adams Island, in Canadian territory, to Les Galops Island, in the United States territory; and

Whereas, the consent of the United States to the construction of that part of the work which will be upon United States territory is desired; THEREFORE:—

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled that consent is hereby given for the construction of the portion of the aforesaid dam which crosses or abuts upon the territory of the United States; *Provided*, That the type of the proposed dam and the plans of construction and operation thereof shall be such as will not, in

the judgment of the Secretary of War, materially affect the water level of Lake Ontario or the Saint Lawrence River or cause any other injury to the interests of the United States or any citizen thereof; *and provided further,* That the work of construction on United States territory shall not be commenced until plans and details of the work shall have been submitted to and approved by the Secretary of War.

APPROVED June 18, 1902.

P. C. 154.

Certified copy of a Report of the Committee of the Privy Council, approved by His Excellency the Governor General on the 6th February, 1903.

On a Report dated 31st January, 1903, from the Minister of Railways and Canals, submitting with reference to the construction, at the cost of Canada, of a dam across the channel between Adam's Island, in Canadian territory, and Les Galops Island, in United States territory, in the River St. Lawrence, at the head of the Galops Canal, that in compliance with the request preferred to the United States Government, under authority of an Order in Council of 1st July, 1900, an Act of the United States has been passed and approved on the 18th of June, 1902, consenting to the construction of a dam between the points named, a copy of which Act has duly reached the Department of Railways and Canals through the proper diplomatic channels—"*provided* that the type of "the proposed dam and the plans of construction and operation thereof, shall "be such as will not, in the judgment of the Secretary of War, materially affect "the water level of Lake Ontario or the River St. Lawrence, or cause any other "injury to the interests of the United States or any citizen thereof." The Act further provides that the work of construction on United States territory shall not be commenced until plans and details of the work have been submitted to, and approved by the Secretary for War.

The Minister further represents that the Chief Engineer of the Department of Railways and Canals has recently visited Washington for the purpose of discussing with the United States authorities the various questions involved, and the Superintending Engineer of the Canal, together with the Secretary of the Department of Railways and Canals, have subsequently interviewed Major Symons of the United States Corps of Engineers, in whose hands has been placed the work of examination into the plans and details of the scheme, in order to report to the Secretary for War, whose approval is required by the authorizing Act quoted.

The Minister observes that as appears by a report made by the Chief Engineer of the Department of Railways and Canals, under date the 31st January, 1903, the conclusions reached in these several interviews and discussions show that there is no anticipation that the water level of Lake Ontario or of the River St. Lawrence would be materially affected, nor that any detriment would be caused to Les Galops Island by the construction of the proposed dam at the point selected.

The Minister recommends, inasmuch, however, as this Island is occupied by a citizen of the United States, whom it would be only fit and proper to compensate in the event of any damage being caused by rise of water or otherwise, and in order to remove any objections that might possibly occur in the final consideration of the plans by the Honourable the Secretary for War for the United States, that he be authorized to give assurance that should it be found that

such damage or detriment is caused, and should the Department of Railways and Canals be unable to arrive at any satisfactory settlement with the party or parties owning the portion of the Island affected, the Government of Canada will pay such amount of compensation for the damage that may be done, as may be awarded the owner or occupant, in the proper Court of the United States before whom his claims may be brought.

The Committee submit the same for approval.

RODOLPHE BOUDREAU,
Clerk of the Privy Council.

P. C. 447.

Certified copy of a Report of the Committee of the Privy Council, approved by His Excellency the Governor General on the 23rd March, 1903.

On a Report dated 18th March, 1903, from the Minister of Railways and Canals, representing in reference to the matter of the proposed construction of a dam from Adams Island to the St. Lawrence River, belonging to Canada, to Les Galops Island, belong to the United States, whose authorization for the construction of such work so far as it pertains to the United States waters, was directed to be sought by an Order in Council of the 2nd of November, 1900, that the following is the position of the case at the present time:

By an Act of Congress passed on the 18th of June, 1902, authority has been given for the construction of the said work in United States territory, subject, prior to the commencement of the work, to submission to, and approval by, the Secretary of War of plans and details thereof.

Plans and full information of the proposed work have been furnished to the officer of the United States Government appointed to investigate and report on the matter, and full assurance has been given, under authority of an Order in Council dated the 6th February, 1903, on the part of the Canadian Government, that it will pay all due compensation for any damage that may be done to any property on Les Galops Island by reason of the construction of the said dam.

It is understood that the whole matter is now before the authorities at Washington for final decision.

The Minister recommends, in view of the near approach of the season for operations of this nature, that communication be had, through the proper channel, with the Honourable the Secretary of War for the United States, urging consideration of the question and the favour of an early decision on the point.

The Committee advise that the Governor General be moved to forward a copy hereof to His Majesty's Ambassador to the United States.

All of which is respectfully submitted for approval.

RODOLPHE BOUDREAU,
Clerk of the Privy Council.

Copy. P. C. 1425 L.
No. 24.

BRITISH EMBASSY,
WASHINGTON, March 28, 1903.

MY LORD,—

I have the honour to acknowledge the receipt of Your Excellency's despatch No. 16 of the 25th instant relative to the proposed construction of a dam across the St. Lawrence River between Adams Island and Les Galops Island.

In accordance with Your Excellency's request I have to-day addressed a note to the Secretary of State of the United States informing him of the compliance of your Government with the conditions of the Act of June 18, 1902, and enquiring whether the Secretary of War has as yet come to any final decision in the matter.

I have, &c.,
(Sgd.) MICHAEL HERBERT.

Copy.

P. C. 1147.

DEPARTMENT OF RAILWAYS AND CANALS,
OTTAWA, July 4, 1903.

To His Excellency the Governor General in Council:

MEMORANDUM.

The undersigned, in connection with the proposed construction by Canada of a dam across the channel between Adam's Island, in Canadian territory, and Les Galops Island, in United States territory, in the River St. Lawrence, at the head of the Galops Canal, has the honour to represent that in pursuance of authority given by Orders in Council of the Canadian Government and of an Act of Congress of the United States, passed on the 18th of June, 1902, plans and details of the work proposed have been submitted, through the officer of the United States appointed for that purpose, for approval of the Honourable the Secretary of War, with whom, under the terms of the said Act of Congress, rests the decision whether the work will "materially effect the water level of "the River St. Lawrence or cause any other injury to the interests of the United "States or any citizen thereof"; further, in order to remove any objections in respect of the causing of damage to the property of American citizens, the undersigned has, in accordance with the authority given him by an Order of Your Excellency in Council, of the 6th of February, 1903, given formal assurance that, in the event of damage or detriment being found to be caused by the raising of water or otherwise to any portion of the Island of Les Galops, the Government of Canada will, failing satisfactory settlement otherwise, pay such compensation for damage as may be awarded by the proper Court of the United States before whom the claim may be brought.

That no final decision has, so far, been received from the United States Government in the matter, though a formal note of enquiry was addressed by Your Excellency on the 25th of March last with a view to expediting a decision.

That there has now been addressed in this Department and received here on the 22nd ultimo, a notice of protest on behalf of the owners of Les Galops Island, a copy of which is hereto attached, in which the ground is taken that no Act of Congress, or permission of the Secretary of War, or guarantee by the Canadian Government in any way binds any property owners of the United States, or destroys their rights to enjoyment of their property; that Les Galops is a part of the State of New York, and that Congress has no right over the lands of that State, either of Eminent Domain or of trespass; that unless some adjustment of the question of damage is made, the owners of Les Galops Island will not permit trespass on their property by the Canadian Engineers.

That the Act of Congress in question enacts as follows: "Be it enacted by "the Senate and House of Representaties of the United States of America in

"Congress assembled that consent is hereby given for the construction of the "portion of the aforesaid dam which crosses or abuts upon the territory of "the United States", such consent, however, being conditioned as above mentioned.

The protest, therefore, sent in by the owners of the Island, appears to challenge the right of Congress to give the sanction which has been (conditionally) granted for the construction of this work.

Whether this is so or not, and whether such challenge, if made, would be effective cannot, in the absence of material for discussing the question, be determined here. The fact, however, remains that, in the present position of the matter, even the approval of the Hon. the Secretary of War to the plans and details of the work would not be sufficient to justify the Canadian Government in proceeding with its execution without further assurance of its right to at least make an absolute connection with Les Galops Island.

The undersigned accordingly recommends that Your Excellency be moved to cause communication to be had with the Government of the United States, conveying to them a copy of the protest from the owners of the Island, urging that action be taken, at as early a date as possible, to implement the action of Congress, in granting consent to the work, in such a way as to enable the Canadian Government to proceed to its desired execution, so soon as plans and details have received sanction from the Honourable the Secretary of War.

Respectfully submitted,

(Sgd.) ANDREW G. BLAIR,
Minister of Railways and Canals.

IN THE MATTER of the application of the Canadian Government for permission to construct a Dam in the St. Lawrence River from Adams' Island to Les Galops Island.

WHEREAS, there has been a formal request by the Canadian Government to the Congress of the United States for permission for the Canadian Government to construct a dam from Adam's Island to Les Galops Island in the St. Lawrence River, and the same is pending before the Secretary of War, Washington, D.C. The owners of Les Galops Island by their attorney, J. L. Carswell, present and file this notice with the Department of Railways and Canals, Ottawa, Ontario.

First: No Act of Congress, or any permission of the Secretary of War, or guarantee filed by the Canadian Government, in any way binds any property owner of the United States or destroys their right to the undisputed possession or enjoyment of their property.

Second: Les Galops Island is a part of St. Lawrence County, State of New York, and Congress has no right over the lands of the State of New York. This, if at all, is vested in the Legislature of New York. There has been no request or permission asked by the Canadian Government, of the State of New York, or granted by the State of New York.

Third: The right of Eminent Domain, or the right of Trespass, to any property owner of New York, is not vested in Congress. The rights of Congress are only those vested in it by the Constitution of the United States, and no powers which are not expressly given it by the constitution are provided for.

Fourth: All damage, detriment and encroachment by reason of this obstruction will be of a permanent nature and serious beyond all question to the owners of Les Galops Island.

Fifth: Unless there is some determination and adjustment of the question of damage to the owners of Les Galops Island by the Canadian Government, the owners of Les Galops Island will not allow any invasion of their property or trespass by the Canadian engineers, but shall at once take legal steps for the protection of their rights against any encroachment of the Canadian Government, according to the laws of the United States and State of New York made and provided.

Respectfully submitted,

J. L. CARSWELL,
330 Walnut Street,
Philadelphia, Pa.,
Attorney for the owners of Les Galops Island, U.S.A.

To the Department of Railways and Canals,
Ottawa, Canada.

Copy.
No. 60.

P. C. 1547 L.

BRITISH EMBASSY,
NEWPORT, R.I., July 11, 1903

MY LORD,—

I have the honour to state that on receipt of Your Excellency's telegram of the 22nd ultimo, Sir Michael Herbert at once addressed a further note marked "Urgent" to the Secretary of State of the United States recalling to his memory the note addressed to him on March 28 relative to the proposed construction of a dam on the St. Lawrence between Adam's Island and Les Galops Island (of which Y. E. was informed in a despatch No. 24 of the same date) and expressing the anxiety of the Canadian Government to learn the decision of the United States Secretary of War on the subject.

I have now the honour to transmit herewith a copy of a personal note from Mr. Hay, from which it appears that the matter will form the subject of an investigation by an Officer of the Corps of Engineers, the result of which will be communicated to the Department of State in due course.

I shall not fail to advise Y. E. of the nature of this Report as soon as it reaches me.

I have, &c.,
(Sgd.) ARTHUR S. RAIKES.

Copy.
Personal.

DEPT. OF STATE,
WASHINGTON, July 9th, 1903.

MY DEAR MR. CHARGE,—

Referring to Sir Michael Herbert's note of March 28th last, requesting to be advised of the decision of the War Dept. in the matter of the construction of a dam in the St. Lawrence River from Adam's Island to Les Galops Island, I have the honour to state that the Secretary of War, in a letter of the 3rd inst., informs me that the papers in the case have been returned to the Chief of Engineers for reference to Major Theodore A. Bingham, Corps of Engineers, for further investigation and report. Major Bingham will be directed by the Chief of Engineers to hold a public hearing after due notice to all interested parties.

for the purpose of determining whether or not the type of the proposed dam, and the plans of construction and operation thereof will materially affect the water level of Lake Ontario and the St. Lawrence River or cause any other injury to the interests of the United States or any citizen thereof.

The Secretary of War adds that when the final decision of the Department in the matter is reached, this Department will be duly advised as requested.

I am, &c.,

(Sgd.) JOHN HAY.

Copy. P. C. 1594 L.

BRITISH EMBASSY,
NEWPORT, R. I., Aug. 20, 1903.

DEAR SIR,—

We have had in our keeping at the Embassy for considerable time past a map of the proposed plans of the St. Lawrence dam.

I believe that this map had ultimately to be returned to Canada.

Could you kindly let me know if we should now forward it.

Believe me, etc.,

(Sgd.) PERCY C. WYNDHAM.

Copy.
No. 72.

FROM MR. RAIKES TO LORD MINTO.

BRITISH EMBASSY,
NEWPORT, R. I., Aug. 20, 1903.

MY LORD,—

With reference to my telegram of yesterday's date I have the honour to transmit to Your Excellency herewith a copy of a Note from the United States Government forwarding the instrument signed by the United States Secretary of War approving, under certain conditions, the proposed construction by the Canadian Government of a dam from Adam's Island in Canadian territory to Les Galops Island in United States territory.

Mr. Root requests that the instrument may be forwarded to Mr. Collingwood Schreiber.

The Acting Secretary of State points out that the delay in the matter resulted from the necessary investigation by the Engineer authorities of a protest filed with the War Department against the construction of the dam.

I have, &c.,

(Sgd.) ARTHUR S. RAIKES.

Copy.
No. 183.

SECRETARY OF STATE,
WASHINGTON, August 19th, 1903.

SIR,—

Referring to previous correspondence in the matter of the proposed construction by the Canadian Government of a dam from Adam's Island, in Canadian territory, to Les Galops Island, in United States territory, I have the honour to enclose, by way of confirmation, a copy of my telegram to you (X) of this day's

date advising you of the approval by the Secretary of War of the plans and details for such construction, subject to certain conditions set forth in the instrument of approval herewith enclosed.

The action of the Secretary of War is taken pursuant to the provisions of the Act approved June 18, 1902, quoted in the instrument, and upon assurances and statements filed with the War Department from Mr. L. K. Jones, and Mr. Andrew G. Blair, Minister of Railways and Canals in Canada.

In his transmitting letter Mr. Root requests that the instrument be forwarded to Mr. Collingwood Schreiber, Deputy Minister and Chief Engineer of Railways and Canals of Canada, who formally presented the application with a letter of introduction from Ambassador Herbert.

Adding that the delay in the matter resulted from the necessary investigation by the engineer authorities of a protest filed with the War Department against the construction of the dam.

I have, etc.,

(Sgd.) ALVEY A. ADEE,
Acting Secretary.

(X) not enclosed.

P. C. 1410.

Certified copy of a Report of the Committee of the Privy Council, approved by His Excellency the Governor General on the 22nd August, 1903.

On a Memorandum dated 14th August, 1903, from the Acting Minister of Railways and Canals representing, with reference to the matter of the proposed construction of a dam between Adam's Island, in Canadian territory, and Les Galops Island, in the territory of the United States, in the River St. Lawrence, as to which, under instructions from the United States Department of State, a public hearing has taken place at Ogdensburg, on the 11th August, 1903, for the purpose of determining whether or not the water level of Lake Ontario and of the River would be materially affected or the interests of the United States, or of any citizens thereof, injured, that it is understood that such hearing has now been closed.

The Committee, in view of the importance of early action if the work is to be proceeded with, advise that the Governor General be moved to forward a copy of this Minute to His Majesty's Ambassador to the United States for communication to the United States Government, urging that intimation of the decision that that Government may reach in the matter be given at the earliest possible date convenient to them.

All of which is respectfully submitted for approval.

RODOLPHE BOUDREAU,
Clerk of the Privy Council.

P. C. 1589 L.

DEPARTMENT OF RAILWAYS AND CANALS, CANADA,
OTTAWA, August 24, 1903.

The undersigned has the honour to acknowledge the receipt, on the 20th instant, of a copy of a telegram, dated the 19th instant, from the British Ambassador to the United States, intimating that an instrument has been signed

by the Hon. the Secretary of State for War, approving the plans for the proposed dam between Adam's Island and Les Galops Island, in the River St. Lawrence.

(Sgd.) W. S. FIELDING,
Acting Minister of Railways and Canals.

John J. McGee, Esq.,
Clerk, Privy Council,
Ottawa.

Copy
Telegram.

P. C. 1589 L.

FROM MR. RAIKES TO LORD MINTO.

NEWPORT, R.I., 19th August, 1903.

Your telegram of August 15th. I have just received telegram of Acting Secretary of State informing me he has received from Secretary of State for War instrument approving plans and details for construction of dam by Canadian Government from Adams Island to Les Galops Island subject to conditions. Instrument containing these conditions has been posted to me to-day, and I hope to be able to forward it to Your Excellency to-morrow evening.

(Sgd.) RAIKES.

P. C. 1512.

Certified copy of a Report of the Committee of the Privy Council, approved by His Excellency the Governor General on the 4th September, 1903.

On a Memorandum dated 27th August, 1903, from the Acting Minister of Railways and Canals, representing that, as the result of the application made by the Canadian Government to the United States Government for permission to build a dam from Adam's Island, in Canada, to Les Galops Island, in United States territory, in the River St. Lawrence, and the investigation into the matter conducted by an officer of that Government, a formal approval of the plans of the said proposed dam has been given, under date the 18th August, 1903, by the Honourable the Secretary of War of the United States, on the following conditions:

"1. That if, after said dam has been constructed, it is found that it ma-"terially affects the water levels of Lake Ontario, or the St. Lawrence River, or "causes any injury to the interests of the United States, the Government of "Canada shall make such changes therein, and provide such additional regu-"lation works in connection therewith as the Secretary of War may order.

"2. That if the construction and operation of the said dam shall cause "damage or detriment to the property owners of Les Galops Island, or to the "property of any other citizens of the United States, the Government of Canada "shall pay such amount of compensation as may be agreed upon between the "said Government and the parties damaged, or as may be awarded the said "parties in the proper court of the United States before which claims for dam-"age may be brought."

The Minister further represents that the said Galops Island is owned by one Alvin Dawson, and in order to the avoidance of delay and to facilitate oper-

ations for this work by securing the necessary area of land required on this Island in connection with the dam, an agreement was made with him under which he has agreed to sell about one acre of land at such point, at the north-west corner of the said Les Galops Island, where it may be determined to locate the dam, and, further, to release forever all claims for damages that may result to his Island property through the erection of the said dam, for the sum of $4,000.00.

The Minister recommends that authority be given for carrying out this agreement by the purchase of the said area of land; payment to be made only on the receipt of a proper deed of conveyance and release, to be obtained as usual through the Department of Justice.

The Committee advise that the requisite authority be granted.

RODOLPHE BOUDREAU,
Clerk of the Privy Council.

P. C. 2693.

OTTAWA, 2nd December, 1907.

SIR,—

I have the honour, by the direction of the Right Honourable Sir Wilfrid Laurier, to acknowledge receipt of a copy of a memorial addressed by the Council of the Montreal Board of Trade to the Canadian Section of the International Waterways Commission with regard to the proposal to entirely dam the River St. Lawrence, in the vicinity of Cornwall, and to state that the same will receive due consideration.

I have the honour to be,
Sir,
Your most obedient servant,
RODOLPHE BOUDREAU,
Clerk of the Privy Council.

George Hadrill, Esq.,
Secy. Montreal Board of Trade,
Montreal.

P. C. 2693.

THE MONTREAL BOARD OF TRADE,
MONTREAL, 30th November, 1907.

The Right Honourable SIR WILFRID LAURIER, G.C.M.G.,
Premier, Ottawa.

SIR,—

I have the honour by direction of the Council of this Board to enclose for your information copy of a Memorial which has been addressed to the Canadian Section of the International Waterways Commission with regard to the proposal to entirely dam the River St. Lawrence in the vicinity of Cornwall, which scheme the Council trusts may never be favoured by the Government.

I have the honour to be,
Sir,
Your obedient servant,
(Sgd.) GEO. HADRILL,
Secretary.

THE MONTREAL BOARD OF TRADE,
MONTREAL.

To the CANADIAN SECTION OF THE
INTERNATIONAL WATERWAYS COMMISSION.

The Memorial of the Council of the Montreal Board of Trade humbly sheweth:—

That your Memorialists are greatly concerned with regard to the proposed works of the St. Lawrence Power Company and of the Long Sault Development Company, which works would involve the entire damming of the St. Lawrence River in the vicinity of Cornwall.—

That no matter what advantages in the shape of power and light may accrue, as the results of those works, to towns, corporations or individuals on either side of the River, your Memorialists contend that the interests of navigation are paramount and that they should not be sacrificed for any clause whatever.—

That the navigable channel of the River is at the present time in Canadian waters and that the only canal (the Cornwall Canal) is in Canadian territory, the United States having neither canal or navigable channel.—

That under the proposed scheme Canada would lose entirely her navigable channel while the United States would gain the great advantage of a canal in its own territory, and your Memorialists submit that this fact alone should prevent any and all Canadians from in any way favouring the scheme,—

That whatever minor benefits may accrue to Canadian interests by the construction of the proposed works, your Memorialists fear that the scheme is really in the interests of the Pittsburg Reduction Company, whose power plant at Messena would be enormously advantaged by the increased head of water the proposed dams would give,—

That in the case of a mighty River like the St. Lawrence it is difficult, if not impossible, for engineers to forecast the actual effect of entirely damming its swift flowing waters, and that there is a general conviction among the riverside population above Cornwall that the proposed works would cause such an overflow into the surrounding country as would involve damage to the extent of many millions of dollars, and your Memorialists believe that they would also render useless some existing water powers in that vicinity,—

That the proposed damming of the River channels would of course prevent all boats from shooting the Long Sault Rapids, the finest rapids in the river, and that the delay which the passage through the canal would cause would render it impossible for boats to travel through the Thousand Islands by daylight and reach Montreal the same evening, and thus two of the chief attractions for passenger travel on the St. Lawrence trip would not be available, with the result that the country would lose the large tourist traffic which is a source of profit to the river steamers and to the places visited,—

That while promoters of the scheme claim that the interests of commercial navigation would not suffer were it adopted, as cargo boats do not run the Rapids, the rafting business seems to have been ignored in this connection,—

That it is estimated that the rafts that pass down the River each season contain over three hundred cribs of timber and that were these cribs forced to pass through a canal instead of shooting the rapids much time would be lost and they would, moreover, by blocking the canal, seriously interfere with other traffic,—

That Canada has in the St. Lawrence waterway a wonderful avenue of transportation from the interior of the Continent to the sea, which serves not only

to carry at a very low rate the commerce of our own country but also that of a large section of the United States, and that your Memorialists respectfully express their conviction that it is the duty of the Canadian Section of the International Waterways Commission, and indeed of all Canadians, to see that nothing be done which might in any way interfere with the navigation thereof.

Signed on behalf of the Council of the Montreal Board of Trade.

GEORGE CAVERHILL,
President.

GEORGE HADRILL,
Secretary.

Montreal, 28th November, 1907.

P. C. 2787.

Ottawa, December 21st, 1908.

To His Excellency the Governor General in Council.

The undersigned has the honour to submit for the information of Your Excellency, a joint report of the Chief Engineer of the Department of Public Works, the Chief Engineer of the Department of Railways and Canals and the Chief Engineer of the Department of Marine and Fisheries, upon the application of the St. Lawrence Power Company, Limited, to Your Excellency for permission to erect certain works on the St. Lawrence River.

Respectfully submitted,

(Sgd.) WILLIAM PUGSLEY,
Minister of Public Works.

P. C. 2787.

Department of Public Works of Canada,
Chief Engineer's Office,

Ottawa, December 15th, 1908.

Sir,—

We have the honour to report in regard to the petition of the St. Lawrence Power Company, Limited, to His Excellency the Governor General in Council, for permission to erect certain dams on the St. Lawrence River, as follows:—

No detail plans are before us and our report is predicated upon the information submitted.

First: A rough computation shows that it is possible to develop, approximately, 800,000 effective horse-power by the proposed dams; and that the creation of such an enormous quantity of power would be of great importance to the district in question, as experience has shewn that in the proximity of such large developments of power great industries are created; towns and cities grow up. The objections which arise, however, are somewhat serious: First, the plans as submitted contemplate interfering with the present Cornwall Canal; and this we take it, cannot be tolerated. The integrity of the Cornwall Canal must be preserved, without any alteration whatever; and, consequently, the plans submitted would have to be modified so as to preserve intact this most important navigation channel. It is true that the Company contemplate the building of a separate lock above lock 20 to enter into the proposed new level, but such a

lock requires navigation to pass along parallel with an over-flow weir dam which necessarily must take care of the great bulk of the discharge of the river; in consequence thereof the side currnts would be so great as to render navigation exceedingly dangerous. Furthermore, an accident to any of the dams would throw the whole system of navigation out of gear for a long time.

Second: The plans contemplate a single lift lock on the American side, in the south channel, to take the place of the Cornwall Canal. The channel from this proposed lock to the foot of Cornwall Island has such a swift current and is so crooked as to render such a route dangerous; and it is not, therefore, in our opinion, a suitably located lock, having regard to the difficulties named. It does not seem needful at this stage to point out a more suitable site where a lock might be had, and where the difficulties of navigation would be lessened.

Third: The upper dam provided for in the proposed plans, running from Long Sault Island to the upper end of Barnhart Island, is practically parallel with the thread of the stream, and is intended to be an overflow weir, with ten stoney sluices at each end of it. There can be no doubt whatever that this dam will, of necessity, have to take care of the regulation of the level of the river above it. The lower dam at the easterly end, which is in the form of the letter "A", connecting the mainland on the Ontario side with the lower end of Barnhart Island, would not, in our opinion, be of material assistance for regulation.

Every advantage has been taken of the natural channels for the purpose of providing an economical development of the power, practically closing up the entire Canadian channel by this means and throwing the whole of the discharge into the American channel on the south of Barnhart Island, the water to the north of Barnhart Island being thrown into a pool.

The discharge over the upper dam in conjunction with the stoney sluices would be of such volume, and the cross current so great as to make it risky for a steamer to attempt to pass parallel with this dam through the channel south of Shiek Island.

Fourth: The effect of ice and frazil on the up-stream end of the river is one upon which it would be most difficult to express any decided opinion. There is no doubt that frazil forms in the Galops Rapids, and the Rapids Plat, and that a large mass of more or less broken ice floats down the river continuously. The channel in the vicinity of Brockville is usually kept open for the ferry; but after the dam in question has been built a field of board ice would be formed above its crest, and it will be difficult to say where the small cakes of ice, frazil, and anchor ice would go, if it did not fill up the space above the dam. The report of the Montreal Flood Commission of 1889 states that on the 8th of April two or three feet of board ice and from ten to twenty-four feet of frazil were found; that between the Lachine Rapids and Varennes, in March, 1887, a distance of 20 miles, there were 99,216,000 cubic yards of field ice, and 252,601,000 cubic yards of frazil, and water amounting to 467,212,000 cubic yards, or a total of 819,029,000 cubic yards; which gives some little idea of the relative proportions.

The conditions for the creation of frazil were greater in the district just above described than in the one we are considering. Nevertheless, there is ample opportunity for the creation of great quantitis of frazil and broken fragments of solid ice at the points named, so that the up-stream effect likely to be created is something that no one could very well predict, but would, no doubt, be approximately similar to that found by the Commission, with resulting damage at the foot of the Rapide Plat and the Galops.

Fifth: The Richelieu and Ontario Navigation Company run a daily line of steamers from Kingston to Montreal, and do a fairly large tourist business, which, we understand, is increasing. One of the features of the trip is running the Long Sault Rapids, which, of course, would be destroyed by the proposed dam. Aside from this we question if a boat could make a trip from Kingston to Montreal, in a day, provided she had to be locked through the Cornwall Canal or the proposed lock on the American side. Strenuous objections have been raised by the interests in question against the project.

Sixth: The possible destruction of the proposed dam by natural forces, or by the malice of any evil-intentioned person, (an earthquake might be the means of destroying the dam) certainly a very few pounds of dynamite in the hands of an intelligent man would be most disastrous. The volume of water which the dam would contain would be sufficiently great, if liberated in the form of a wave, to at any rate destroy the greater portion of the town of Cornwall; certainly the Canal, or that portion of it below the dam; and, without doubt, the means of flooding Lake St. Francis and a large section of the land on the river bank protected by the Hungry Bay dyke; besides unquestionably the Soulanges Canal, as well as the villages fronting the river between Lake St. Francis and Lake St. Louis. Whether the effect of such a sudden break would be taken care of in Lake St. Francis and Lake St. Louis is a question. Experience had on a very much smaller scale would lead one to expect that the damage would be continued on through the lower portion of Montreal, with the possible destruction of the Lachine Canal as well.

Seventh: The plans show a very small percentage of development on the Canadian side; we should judge that over eighty per cent. (80%) is contemplated to be developed in the United States; and of course this would be a very unfair distribution of the power in question. In any event, should the project receive consideration, considerable revision of the plans would have to be made, so as to secure a more equitable division of the power development.

Eighth: A vital point in connection with the whole scheme would be that all the plans of the dams, locks, etc., on the proposed works must be approved in advance by Engineers responsible to Canada and the United States, respectively, and upon which they must agree; the detail of the works in question should be passed upon by the joint approval of Engineers from both countries. Whether this is a practical thing to secure we are unable to say, but it is obvious that the interests of Canada are such that no portion of the work in question could be allowed to be gone on with unless it received a most strict examination and inspection by Engineers acting for this country. No doubt, the United States authorities would take a similar attitude with regard to the question, although their interests are trivial compared with ours, on account of the fact that they have so little land on the St. Lawrence below the power in question.

Ninth: No private corporation should be permitted to have under its control the regulation of the height of water in such an important River as the St. Lawrence.

We are, Sir,

Your obedient servants,

(Sgd.) EUGENE D. LAFLEUR,
Chief Engineer, Department of Public Works, Can.
(Sgd.) M. J. BUTLER,
Chief Engineer, Department of Railways and Canals.
(Sgd.) WM. P. ANDERSON,
Chief Engineer, Department of Marine and Fisheries.

INDEX

	Page
Preliminary	1
Map Showing General Location of Proposed Works	2
Dams	3
Canadian Power House	3
South Sault Power House and Lock	3
Power House on Barnhart Island	3
Controlling Works	3
Stability of Structures	4
Miscellaneous Construction	4
Government Approval and Inspection	4
Future Water Levels	4
Cornwall Canal Conditions	4
Conditions Above the Proposed Dams	5
Scenic Beauty of the River to be Preserved	5
Effect of Proposed Works on Transportation Companies and the General Public	6
Contour Surveys Along the River	6
Improvement in Ice Conditions at Cornwall	7
Improvement in Ice Conditions Above the Dams	8
SUMMARY:—	
I Advantages to the General Public	8
II Improvement of Navigation	8
III Improvement in Ice Conditions	9
IV Cornwall Canal Conditions	9
Formal Request for Permission to Construct the Proposed Works	9

AMENDED PETITION

OF THE

ST. LAWRENCE POWER COMPANY,

LIMITED

TO

His Excellency, The Governor-General of Canada, in Council.

FOR PERMISSION

To Erect the Structures Herein Described Near the Town of Mille Roches, Ontario.

HUMBLY SHEWETH:—

December 12th, 1907, there was submitted to His Excellency, The Governor General of Canada, in Council, a Petition requesting permission to erect a dam, power house and works appurtenant thereto in the St. Lawrence River, near lock 20 in the Cornwall Canal. Your Petitioners having improved their plans desire to submit a Petition amended accordingly.

PRELIMINARY.

The St. Lawrence Power Co., Limited, owns the power development at the foot of Sheek Island near Mille Roches, Ontario. It takes water from the Cornwall Canal on the north side of Sheek Island, and furnishes electric power and lights for the Cornwall Canal and for Cornwall, Moulinette, Mille Roches and Wales.

The fall in the St. Lawrence River adjacent to the plant of the St. Lawrence Power Co., Limited, would, theoretically, furnish a substantial amount of power. The present owners of this Company secured possession believing that this theoretical power could be developed, at a reasonable cost, so as to materially increase the capacity of the existing plant. Investigation has shown that without the co-operation of the riparian owners on the opposite

American shore, the St. Lawrence Power Co., Limited, can develop this power only to a very slight extent.

The capacity of the existing plant is limited to about 3,000 continuous horse-power and 2,300 intermittent horse-power available only a portion of the year. This continuous power could perhaps be increased to 6,000 horse-power, but this is the maximum amount that can be commercially developed entirely in Canada and without the co-operation of American interests. There is no other suitable site, adjacent to the Long Sault, that the St. Lawrence Power Co., Limited, could use for independently developing additional power.

The Long Sault Development Co., a New York State corporation, is empowered by its charter to construct dams, power houses, locks and works appurtenant thereto in the St. Lawrence River, so far as these works will be in American territory, and is therefore in a position to utilize the fall in the St. Lawrence River above mentioned.

The St. Lawrence Power Co., Limited, by co-operation with the Long Sault Development Co., in developing the power of the Long Sault, will be able to supply in Canadian territory a large amount of power, and only by such co-operation between these two companies can the full potentiality of the river be made available. Such development is in conformity with the fundamental principles of the conservation of natural resources.

A general outline of the plan is as follows:—

MAP SHOWING GENERAL LOCATION OF PROPOSED WORKS.

The map bound in the back of this Petition shows Long Sault, Sheek and Barnhart Islands, the Cornwall Canal, and the location of the International Boundary with respect to the main channel on the St. Lawrence River. This main channel is in International waters on the north side of Long Sault Island; but, a short distance below the rapids which are principally between Long Sault and Sheek Islands, it lies south of Barnhart Island and entirely within American territory. About 95 per cent. of the volume of water in the St. Lawrence River flows in this main channel south of Barnhart Island; the other 5 per cent. flows through Little River and through the Cornwall Canal. Little River forms the International channel between Barnhart and Sheek Islands. The location of the proposed dams, power houses, canals and new lock is also shown.

DAMS.

A dam, for convenience called the "Upper Dam", is proposed between the western end of Barnhart Island and the eastern end of Long Sault Island; at each end of this dam next to the shores, there will be located a number of large sluice gates, the combined discharge of which will be about 100,000 second feet, or 40 per cent. of the average flow of water in the river.

Another dam, called the "Lower Dam", is proposed between the easterly end of Barnhart Island and the Canadian shore; it will lie on both sides of the International Boundary.

It is proposed to construct both dams of solid concrete masonry and of the gravity type.

CANADIAN POWER HOUSE.

At the north-easterly end of the Lower Dam it is proposed to construct a large power house, between the dam and the Canadian shore near lock 20. This power house will be entirely in Canadian territory, and will be large enough to utilize all of the water that will be made available at this point by the construction of the dams.

SOUTH SAULT POWER HOUSE AND LOCK.

The Long Sault Development Co. proposes to construct a power house and lock across the South Sault Channel, between the foot of Long Sault Island and the main short. The use of this lock will save approximately 4½ hours time on each round trip of the boats which now use the Cornwall Canal.

POWER HOUSE ON BARNHART ISLAND.

At the eastern end of Barnhart Island it is proposed to construct one, or possibly two, power houses, and to excavate a head race leading from the forebay immediately above the Lower Dam to these power houses.

CONTROLLING WORKS.

In addition to the sluice gates at the Upper Dam there will be constructed at each of the power houses a number of large sluice gates to control the water level above the dams. These gates will be from 35 to 50 feet wide with about 15 feet depth of water on the sills; they will be so constructed that they can be operated throughout the entire year.

STABILITY OF STRUCTURES.

The financial success of this entire development, costing many millions of dollars, will be contingent upon the stability of all dams, power houses and controlling works. Any failure of these structures would cause great financial loss to the owners; consequently as a matter of self-protection and insurance, unusually high factors of safety will be adopted throughout, so that they will be safe beyond question. The nature of the river channel is such that no loss of life or damage to property would follow failure of the dams.

Examinations and borings with diamond-and-churn-drills, have shown that all important masonry structures will rest on a solid bed of limestone.

The bed of limestone will afford unquestionable foundations and ample expenditure of money will secure unusual stability and absolute safety of the proposed structures; the entire scheme, as an engineering proposition, has been submitted to and approved by Engineers who were selected not only by reason of thir eminence but also by reason of their special and long experience with such problems.

MISCELLANEOUS CONSTRUCTION.

The width of Little River channel will be increased to about 1,000 feet to provide a straight, wide and deep channel for conveying water to the power houses near the Lower Dam.

Earthen dikes will be constructed on the south side of the Cornwall Canal, between locks 20 and 21, as may be required by Your Excellency in Council.

All changes to locks 20 and 21 made necessary by the construction of the proposed dams will be made free of cost to the Government.

GOVERNMENT APPROVAL AND INSPECTION.

It is proposed to have the Engineering Departments of both the Canadian and United States Governments approve the plans and, if desired, inspect the construction of the works that are to be built in their respective countries.

FUTURE WATER LEVELS.

It is proposed to raise the level of the river above the dams to such elevation as may be arranged and agreed upon and approved by Your Excellency in Council.

CORNWALL CANAL CONDITIONS.

The Cornwall Canal is 11½ miles in length, of which over 5 miles are formed by earth embankments; between locks 20 and 21 there are over 2½ miles of these embankments which in places are subjected to over 35 feet head of water. When the proposed dams are built and the water in the river above them is raised to the proposed level, the present unbalanced pressure on the canal banks, between locks 20 and 21, will be practically eliminaed, and all danger of a washout in this section of the canal will be removed. Below lock 20 the conditions will remain unchanged. The construction of the proposed works will reduce the present risk of a washout in the entire canal at least 50 per cent.; this result could only be obtained by the expenditure of many hundred thousand dollars by the Government.

The break in the canal bank, near lock 18, which occurred June 23, 1908, blocked all navigation in the Cornwall Canal for 17 days. Had the South Sault lock been in operation at that time no delay whatever would have been caused by this washout, since all boats could have used the South Sault lock pending the repairs to the canal bank.

CONDITIONS ABOVE THE PROPOSED DAMS.

Careful surveys show that there is a surface fall varying from 12 to 14 feet in the St. Lawrence river between Morrisburg and lock 21.

When the water above the dams is raised to the proposed level, the great surface fall in the river between Morrisburg and lock 21 will prevent the main backwater rise from extending far above this lock. The river banks above the dam are so steep that the slight backwater rise will flood only a narrow strip averaging about 20 feet wide, and in many places less than five feet wide.

SCENIC BEAUTY OF THE RIVER TO BE PRESERVED.

The scenic beauty of the river above lock 21 will not be affected. Below the dams, the river scenery will remain practically unaltered. The only scenic change will be the replacement of the present rapids by long overflow dams; the water will pass over the crests of these dams in two unbroken sheets with a combined length of one and one-half miles, and a height of approximately forty feet, nearly one-fourth that of Niagara Falls, a sight equal in grandeur to that of the Long Sault and one which is unique in all the world.

Under the present conditions the Long Sault is seen by tourists during the short Summer season of about four months, and then only for a very few minutes as they pass rapidly in a boat. Under the proposed conditions the scenery adjacent to the dams may be enjoyed by tourists throughout the year.

EFFECT OF PROPOSED WORKS ON TRANSPORTATION COMPANIES AND THE GENERAL PUBLIC.

The Long Sault is navigated by a single line of passenger boats; these boats make a daily trip down-stream during the summer tourist season June to September, inclusive. No rafts or freight steamers use the main channel on the north side of the eastern end of Long Sault Island, and no boats whatever can go up this channel. At a public hearing in Montreal Nov. 6th, 1907, objection was raised to the construction of the proposed dams on the ground that the obliteration of these rapids would greatly decrease the number of tourist passengers.

The construction of the proposed dams will afford the opportunity for tourists to pass through the highest lift masonry lock in the world and to see the two longest spillway dams that have ever been built, with water several feet deep passing over the crest and falling about forty feet; such attractions will more than offset a trip through the Long Sault, which is generally conceded to be less picturesque and thrilling than the Coteau Rapids, the Cedars, the Split Rock, the Cascades and Lachine Rapids, which are successively passed between this point and Montreal.

Passenger steamers will meet a delay of only about 30 minutes by using the South Sault lock as compared to shooting the Long Sault. On the west bound trip they will save at least two hours time as compared to passage through the Cornwall canal, so that on a round trip they will save about 1½ hours time under the proposed conditions.

Freight steamers will be able to save at least 4½ hours time on each round trip by using the South Sault lock.

The power from the proposed works will be used principally by factories and industries yet to be established within the radius of transmission of electricity from the power houses. Raw materials will be delivered to the factories from distant sources of supply and the finished products will be sent to the world's markets; the construction of the proposed works will greatly increase the revenue of the boat-and-rail-transportation companies.

New industries and factories, contingent upon the development of the Long Sault, will give employment to thousands of persons and in one way or another all communities, using power from the proposed works, as well as the general public, will be substantially benefited thereby.

The construction of the proposed works will require the expenditure in Canada of over $5,000,000, which will be distributed among Canadian transportation companies, manufacturers, tradesmen and workmen.

CONTOUR SURVEYS ALONG THE RIVER.

The Engineers of the St. Lawrence Power Co., Limited, have completed accurate surveys of the entire river from the eastern end of Barnhart Island to Waddington, a distance of about 23 miles. These surveys show all the contours, at 2½ foot intervals, also the property lines on the Islands and the main shores, to a point above Croil Island; between this latter point and Waddington the contours and property lines were surveyed to Elevation 215, sea level datum. These maps, so far as they have been worked up, are submitted herewith on Plans Numbers 2, 3 and 4; from them can be determined all questions that will be involved when the river is raised to the proposed level. These surveys cover over ninety square miles of territory and required the services of about 65 men for a period of nearly eight months.

The St. Lawrence Power Co., Limited, has acquired much land and many riparian rights that will be affected by the proposed changes, and negotiations are under way for securing the remainder.

The Long Sault Development Co., on the American side, has acquired practically all of Barnhart Island and the eastern half of Long Sault Island together with riparian rights around the western end of the island, also nearly 2,000 acres of land on the main shore, extending from a point opposite the eastern end of Barnhart Island, upstream to the Massena Canal, a distance of about 8 miles. Both Companies are acquiring land on their respecive sides of the river to Elevation 215, sea level datum, which will be well above the future river level; they are also securing riparian rights along the streams that

flow into the St. Lawrence river, where there is any possibiliy of riparian damage being caused.

Mention of the above is made to illustrate to what extent the two Companies have gone thus far in the line of preparing plans, acquiring property, riparian rights, etc., in connection with the proposed development, and to show that they are proposing a bona fide power development, and are not seeking to secure a franchise to sell to others at a profit.

IMPROVEMENT IN ICE CONDITIONS AT CORNWALL.

The greater part of the frazil-ice in the section of the river above Cornwall is formed in the swift open stretches of water above the Long Sault and in the rapids themselves. The construction of the proposed dams will reduce the velocity of the river above them; the Long Sault will be entirely obliterated and there will be a great reduction in the amount of frazil-ice that will be formed.

Under existing conditions the enormous masses of frazil-ice that are formed in and above the rapids, pass down stream to the quiet water at the head of Lake St. Francis; here they form hanging dams on the under side of the sheet-ice on the lake. Every winter these hanging dams create a flood of backwater that rises from 15 to 30 feet above the normal summer level of the water in the river endangering the town of Cornwall. In the year 1887 the backwater extended as far as Fifth street, so that practically two-thirds of the town was flooded.

The danger of winter flood and backwater at Cornwall will not be entirely removed by the proposed dams, but the danger arising from the annual ice jam will be very much lessened, a point of vital importance to the people of Cornwall.

IMPROVEMENT IN ICE CONDITIONS ABOVE THE DAMS.

In previous years, notably 1887 and 1905, large ice jams formed at critical points in the river channel opposite Farrans Point and also on the south side of Croil Island. The backwater caused by these jams extended up-stream as far as Morrisburg. After the proposed dams are constructed a fleet of ice breaking boats will be operated to keep these critical points free from congestion, and thus prevent a repetition of these floods.

SUMMARY.

I. ADVANTAGES TO THE GENERAL PUBLIC.

(A) The construction of these works in Canada will afford abundant, reliable and cheap power to all districts within the radius of transmission of electricity from the power houses.

(B) The furnishing of cheap power will create many new industries and will be of great advantage to those already established.

(C) The construction of the proposed dams and power house will require the expenditure in Canada of over $5,000,000, which will be distributed among the Canadian transportation companies, manufacturers, tradesmen and workmen. It is impossible to estimate the amount which will be expended in Canada directly or indirectly consequent upon the utilization of this power, but the amount required for the construction of the works, installation of transmission lines, etc., will run into many millions of dollars.

(D) The power from the entire development will be used almost exclusively for manufacturing purposes and the products must be distributed by boat or rail; this will mean increased revenue to the transportation companies for all future time.

II. IMPROVEMENT OF NAVIGATION.

(A) Navigation will be very much improved. The present practically impassable rapids will be eliminated, and in their place will be a broad and safe stream. The velocity of the current in the Farrans Point and the big Sny channels will be substantially lessened.

(B) The South Sault lock will duplicate the means now afforded by the Cornwall Canal for navigation past the Long Sault and will postpone the time when the Cornwall Canal must be enlarged at great expense to the Canadian Government.

(C) The duplication of navigation facilities past the Long Sault will insure shipping interests against delay due to failure or accident in either the Cornwall Canal or the South Sault lock.

(D) The construction of these works will enable boats passing the Long Sault to make a round trip in approximately 4½ hours less time than at present.

(E) The South Sault lock will be operated seven days per week during the navigation season, and like the Cornwall Canal will be toll free.

III. IMPROVEMENT IN ICE CONDITIONS.

(A) Ice conditions below the dams will be much improved, thus reducing the danger from the annual ice gorges and floods at Cornwall.

(B) The river above the dams will be kept free from ice jams so that a repetition of the floods of 1887 and 1905 will not occur again.

IV. CORNWALL CANAL CONDITIONS.

(A) The proposed development will be made, preserving the integrity and utility of the Cornwall Canal.

(B) The proposed development is so planned that traffic in the Cornwall Canal will not be affected by the development in any way whatsoever. The Cornwall Canal will remain unchanged and will be open to traffic both during the construction period and forever thereafter.

(C) When the water above the dams is raised to the proposed level, all danger of a washout of canal banks between locks 20 and 21 will be entirely and permanently removed.

FORMAL REQUEST FOR PERMISSION TO CONSTRUCT THE PROPOSED WORKS.

The St. Lawrence Power Co., Limited, asks permission as follows:—

(A) To construct a dam extending from a point near the Canadian shore, opposite lock 20 in the Cornwall Canal, to the International Boundary, there to join a dam to be constructed, in American territory, in connection with the proposed works.

(B) To construct a power house, between the north-easterly end of said dam and the Canadian shore.

(C) To strengthen the dikes on the south side of the Cornwall Canal between locks 20 and 21, and to make such changes to these locks as may be required, free of cost to the Government.

(D) To enlarge Little River channel on the Canadian side of the International Boundary, and to raise and maintain the river level above the dams at the elevation agreed upon and approved by Your Excellency in Council.

(E) To construct, maintain, operate and amplify the said dams, power houses, dikes, channels, water levels and other works necessary and appurtenant to the proposed complete development, subject to the approval of Your Excellency in Council.

And your Petitioners as in duty bound will ever pray.

Respectfully submitted,

ST. LAWRENCE POWER COMPANY, LIMITED.

GEORGE G. FOSTER,
President.

MONTREAL, January 13th, 1909.

P. C. 2409.

OTTAWA, 10th December, 1909.

To the RIGHT HONOURABLE,
THE PRESIDENT OF THE COUNCIL.

The undersigned, with reference to copy of Memorial of the Cornwall Board of Trade to His Excellency, in regard to obtaining cheap and ample electric power, has the honour to report that the Memorial alluded to has been filed for reference in the Department of Marine and Fisheries, for consideration whenever the project referred to in the Memorial is again before the undersigned.

Respectfully submitted,

(Sgd.) L. P. BRODEUR,
Minister of Marine and Fisheries.

P. C. 2409.

MEMORIAL OF THE CORNWALL BOARD OF TRADE

TO

HIS EXCELLENCY THE GOVERNOR GENERAL IN COUNCIL.

The Board of Trade of Cornwall duly incorporated comprises the principal firms doing business in Cornwall and vicinity.

As a town, Cornwall being a manufacturing town, is at great disadvantage compared to other towns where cheap and reliable electric power can be obtained in large quantities. And, although power is developed in a measure from the Cornwall Canal, yet the amount is exceedingly small; and no further power can be obtained from that source; at times in the winter the back water in the St. Lawrence reduces it to almost nil.

We require cheap and ample electric power to enable us to compete with other towns electrically supplied, and also to attract new industries to Cornwall.

We have examined the plans of the St. Lawrence Power Company, Limited, for damming the St. Lawrence and developing large amounts of power for distribution in this vicinity, and their proposition meets with our hearty approval for the following reasons, *to wit:*

I. The Long Sault will furnish practically unlimited power, and the Power Company's plans provide for the ultimate development of this power. This will insure to us cheap rates and ample power to meet all existing and future demands.

II. Cheap power will enable us to compete with other Ontario towns now so supplied and will also attract new industries who desire to come to Cornwall and vicinity.

III. The construction of the dams, power houses, etc., will require enormous sums of money to be distributed in Cornwall for supplies, labour, etc., and after the works are completed they will give permanent employment to thousands of people.

IV. The ice conditions in the river will be materially improved by lessening the amount of frazil ice now formed in the Rapids every winter. The ice floods are a great menace to our town.

V. The new lock to be built in the South Sault Channel will insure against delay by a break in the Cornwall Canal, such as occurred June 23, 1908, when all through traffic was blockaded for over two weeks. This new lock will enable through boats to save several hours time on a round trip, and yet the Cornwall Canal will remain unchanged; it can always be used under future conditions the same as it is at present.

VI. Some opposition to this power proposition has been made on the ground of the destruction of the scenic beauty of the Long Sault. Living as we do in the immediate vicinity of these rapids, we feel that we are more interested in, and familiar with them, than any other persons, and yet we do not hesitate to say that, considering the entire project, the scenic beauty of the Rapids is entirely secondary to their commercial possibilities, and that they should be devoted to the electrifying of Eastern Ontario.

We are not competent to pass upon the engineering features of this proposition; these will all be studied and approved by your expert engineers. But as a commercial and industrial question we feel that we are pre-eminently qualified to pass opinion and we do not hesitate to give our unqualified endorsement to this power proposition, and humbly petition Your Excellency to grant the request of the St. Lawrence Power Company, Limited, for a franchise to construct the necessary dams, power houses and other works.

Relying on Your Excellency and the Government to properly safeguard and protect the interests of the Canadian people with regard to all questions involved.

Respectfully submitted,

THE CORNWALL BOARD OF TRADE.

11th November, 1909.

N. J. FRAID, *President.* J. E. SNETSINGER, *Vice-President.*

F. BISSET, *Secretary.* E. D. CALLAGHAN, *Treasurer.*

and the following members and citizens of the Town of Cornwall:

NAME.	OCCUPATION.
D. B. MacLennan	Barrister.
Robert S. Cline	Accountant.
P. J. Lally	Manufacturer.
John A. McDougald	Local Registrar H. C. J.
C. H. Cline	Barrister.
J. W. Crewson	
Geo. F. Smith	Prin. C. C. College.
Alf. Mulhow	Coal Merchant.
J. T. Kirkpatrick	Gentleman.
Geo. W. Armstrong	Grocer.
M. Hirmiston	Plumber, &c.
N. H. McGillivray	Clergyman.
Robt. Coingan	Real Estate Agent.
D. J. McDonell	Collector of Municipal Rates.
P. V. MacLennan	Barrister.

and 221 others also signed.

We, the undersigned, representing the ratepayers of the Township of Cornwall, give our unqualified endorsement to the power proposition, as set forth in the above Petition of the Cornwall Board of Trade, and humbly petition Your Excellency to grant the request of the St. Lawrence Power Company, Limited, for a franchise to construct the necessary dams, power houses, and other works.

Respectfully submitted,

WM. OGLE, *Reeve.* JAS. L. GROVES, *Deputy Reeve.*
JOHN MULLEN, *Clerk.* WILLIAM WATTERS, *Councillor.*
B. LECLAIR, *Councillor.*
JAS. W. CRAWFORD, *Councillor.*

We, the undersigned members of the Town Council of the Town of Alexandria, Ont., give our unqualified endorsement to the power proposition, as set forth in the above Petition of the Cornwall Board of Trade, and hereby petition Your Excellency to grant the request of the St. Lawrence Power Company, Limited, for a franchise to construct the necessary dams, power houses and other works.

Respectfully submitted,

F. T. COSTELLO, *Reeve and Presiding Officer.*
WM. HENRY, *Clerk.* J. T. HOPE, M.D., *Councillor.*
GEO. BAUGIE, *Councillor.* JAS. KERR, *Councillor.*
J. O. SIMPSON, *Councillor.*

P. C. 301, 1910.

To His Excellency,
the Governor General of Canada.

The Municipal Council of the Town of Cornwall desire to submit to Your Excellency their views concerning the proposed damming of the St. Lawrence River near Mille Roches, Ontario.

Cornwall is now supplied with a very limited amount of hydraulic power obtained from the Cornwall Canal, and in addition there is also developed about two thousand horse-power in the electric plant near the East end of Sheek Island.

Experience has shown that this is all of the power that can be developed from the canal without interfering with navigation therein.

The St. Lawrence Power Company, Limited, own the electric plant at the foot of Sheek Island, and have requested permission to enlarge their works so that they can develop from the Long Sault Rapids the enormous power that is now running to waste. The plans of the Company have been explained to us and we favour the granting of the Company's request for permission to construct their proposed works for the following reasons:

I. When the proposed dams and power houses are built, practically unlimited power will be available not only for Cornwall but for all Eastern Ontario, and with Government regulation of rates, this will attract many new industries to this section and will be of great benefit to those already established.

II. The construction of the proposed works will give employment to thousands of persons during the construction period, and after these are completed permanent employment will be given to a very large number of people, and this will greatly benefit our local merchants.

III. Ice conditions in the St. Lawrence will be materially improved by the construction of the dams, since the amount of frazil ice now formed in the Long Sault Rapids will be greatly reduced.

IV. As we understand it, these works can be constructed without interfering with navigation in the Cornwall Canal, and boats can in the future use this canal the same as under present conditions. Through boats, however, can pass up the main channel of the St. Lawrence to the foot of Long Sault Island, where a single lock will raise them to a higher level, and avoid lockage through the Cornwall and Farrans' Point Canals, thus saving several hours time on each round trip of the boats.

V. Objections have been raised against the construction of the proposed dams on the ground that they will destroy the scenic beauty of the Long Sault. Located as we are, within a few miles of these rapids, we feel pre-eminently qualified to pass judgment on this point, and it is our belief that the artificial waterfall caused by the construction of the dams will afford a scenic attraction superior to the Long Sault, and one that can be seen by tourists throughout the year, whereas under present conditions the rapids are only visited during the short summer tourists' season of about four months by tourists on the River Steamers.

In granting permission to the Company to construct their proposed works, we assume that Your Excelleney will properly protect all Canadian interests.

And your Petitioners, as in duty bound, will ever pray.

(Sgd.) W. A. MUNROE, M.D.,
Mayor.

GEO. S. JARVIS,
Town Clerk.

To His Excellency,
the Governor General in Council.

We, the members of the Board of Trade of the Town of Brockville, (duly incorporated), having carefully considered the proposition of the St. Law-

rence Power Company, Limited, for the development of the power of the Long Sault Rapids, beg to humbly present our conclusions as follows:

1st. The development of cheap power is an absolute necessity for Eastern Ontario, as without such power we will be unable to maintain our at present few manufacturing industries, much less to obtain our share of the new industries which must come with the development of Canada.

2nd. The proposition of the St. Lawrence Power Company, Limited, appeals to us as the only feasible plan of which we have yet heard for accomplishing the above object. Taking it for granted that your Engineers will first approve of the feasibility of the proposition and of the possible effect of the same upon the Canal system, we are of the opinion that the plans of the Company when carried out will:

(a) Provide all the power that will be required in Eastern Ontario for many years.

(b) Enable us to retain our manufacturing industries and obtain the location of new industries in our midst.

(c) Improve navigation facilities by furnishing an alternative channel for all boats which now use the Cornwall Canal, and by materially saving much time for such boats.

(d) Substitute for the Long Sault Rapids new and unique attractions for tourists in the shape of the longest overflow dams in the world, and incidental hydro-electric works of enormous magnitude.

3rd. It is our earnest opinion that the present slight use of the Long Sault Rapids by tourists should not be allowed to delay the development of the immense power which can be obtained therefrom and consequent awakening of industrial activity in this part of Canada.

We, therefore, humbly pray Your Excellency to grant the Petition of the St. Lawrence Power Company, Limited, subject of course to the approval of your Engineers.

Brockville, August 20th, 1909.

(Signed)

WM. C. MacLAREN, *President.*	W. H. DAVIS, *Vice-President.*
JOHN McGEE, *Chairman of Council.*	Wm. McLAREN, *Secretary.*
J. H. GILMOUR, *Council.*	T. J. STOREY, *Council.*
W. H. KYLE, *Council.*	D. W. DOWNEY, *Council.*
A. T. HILGRESS, *Council.*	H. Y. FARR, *Council.*

and also ninety-six (96) other members of the Board of Trade of Town of Brockville.

We, the undersigned citizens of the Town of Brockville, not members of the Board of Trade, having considered the above Petition, desire to concur in same and to add our endorsation thereto.

G. H. WEATHERHEAD.	GEORGE SMITH.
NEWTON COSSITT, Sr.	ALBERT B. HENDERSON.
JAMES MOORE.	G. S. DUNHAM.

and also one hundred and seventy-six (176) oher citizens of the Town of Brockville.

MINUTES of a meeting of the Municipal Council of Brockville, held on Friday, August 20th, 1909, for the purpose of considering the proposition of the St. Lawrence Power Company, Limited, for the development of power at the Long Sault Rapids.

Moved by Geo. A. Wright,
Seconded by A. M. Patterson,

That in the opinion of this Council the greatest need in Eastern Ontario is the development of cheap power. That such power, combined with our other facilities, will enable us to compete with other portions of the province in arranging the location of manufacturing industries in our midst.

That in our opinion the development of the power of the Long Sault Rapids is the most feasible proposition in Eastern Ontario, and the objection that such development will destroy some of the scenic beauty of the St. Lawrence should not be allowed to weigh as against the material progress of the Province, which we believe would result from such development.

That His Worship the Mayor be requested to appoint a committee to draft a memorial to the Governor General in Council, endorsing the proposition of the St. Lawrence Power Company, Limited, as laid before us this evening, and urging the granting by them to that Company such power as may be required to carry out their proposition, subject, of course, to the approval of the Government Engineers, and that this Council do authorize His Worship the Mayor to make the necessary arrangements to have such memorial presented by a large and influential deputation of our citizens.—*Carried.*

The Mayor appointed Messrs. Patterson, Wright, Botsford and Dr. Shaver a Committee in compliance with the resolution.

I, GEORGE K. DEWEY, Clerk of the Town of Brockville, hereby certify that the foregoing is a true copy of the Minutes of the meeting of Council held on the 20th August, 1909.

(Sgd.) GEO. K. DEWEY, *Clerk.*

BROCKVILLE, Ont., August 21, 1909.

TO HIS EXCELLENCY,
THE GOVERNOR GENERAL IN COUNCIL.

We, the Municipal Council of the Corporation of the Town of Brockville, beg to humbly address you upon the matter of the application of the St. Lawrence Power Company, Limited, for authority to develop the power of the Long Sault Rapids in the River St. Lawrence.

We want cheap power. Eastern Ontario must have cheap power. All our power is generated now with coal.

We have carefully considered the plans of the Company; many of us by personal inspection on the ground. We have considered several of the schemes for furnishing power to Brockville, but the proposition of the above named Company is the only proposition placed before us which has seemed to us to be feasible and likely to be satisfactory.

We believe that the power which can be obtained from the Long Sault Rapids should be developed. We do not think that the very limited use now made of the Channel in which are these rapids should stand in the way of such development. The proposed works of the Company would, in our opinion, improve navigation.

We assume, of course, that the rights that will be granted by you to the Company will be subject to the approval of your Engineers, and that Canadian

interests will be safeguarded by requiring the early development and sale at reasonable rates of power for Canadian enterprises and municipalities, and the prompt construction of transmission lines at least as far west as Brockville.

Subject to the above we would humbly urge that the St. Lawrence Power Company be promptly granted the privileges required by them to enable them to carry out the huge enterprise proposed by them, which should result in great material advantage to Eastern Ontario.

(Sgd.) W. H. KYLE,
Mayor.

THE BROCKVILLE LIGHT AND POWER DEPARTMENT.

August 20th, 1909.

Moved by D. W. Downey,
Seconded by Wm. C. MacLaren,

That we, the Board of Light and Power Commissioners of the Town of Brockville, realizing that cheap power is most essential in the interests of Brockville and of this Department, and each of us having carefully considered the proposition of the St. Lawrence Power Company, Limited, to develop the power of the Long Sault Rapids;

Be it Resolved, that such proposition, in the opinion of this Board, meets with our hearty approval, and we would urge the Government of Canada to grant the said Company the necessary authority for the construction of such work, subject, of course, to the approval of the Government Engineers, and subject to such conditions as may be necessary to protect the interests of property owners in the vicinity.—*Carried.*

(Sgd.) W. H. KYLE, *Mayor.*

C. T. WINKINSON, *Manager.* W. W. HARRISON.
W. H. DOWSLEY, *Secy.-Treasurer.* JOHN WEBSTER.

Resolution passed at a Meeting of Citizens of the Town of Brockville, who had personally considered the proposition of the St. Lawrence Power Company, Limited.

Moved by W. S. Buell,
Seconded by W. H. Harrison,

Whereas, Eastern Ontario, as compared with Western Ontario, is badly handicapped in the lack of cheap power;

And, whereas, there is an immense volume of water passing through the Long Sault Rapids, which if harnessed would produce unlimited power, and could be transmitted throughout the entire Eastern Ontario;

And, whereas, the St. Lawrence Power Company, Limited, incorporated by Dominion of Canada, having laid before us a proposition by which, in conjunction with the Long Sault Development Company, incorporated by the State of New York, they would be able to develop the power of the Long Sault Rapids; but, *whereas,* before entering upon such undertaking it is necessary for such Companies to obtain the approval of their plans and proposition by the Governor General in Council, and the International Waterways Commission, and possibly to procure the passage of an Act of Parliament;

And, whereas, certain persons have raised objections to the proposition upon the ground of the possible effect upon property adjacent to or west of

the proposed works, but more particularly upon the ground that the works of the Company will result in the obliteration of the Long Sault Rapids, and that it will destroy some of the natural beauty of the St. Lawrence and will tend to decrease the number of summer tourists travelling through this part of Canada;

And, whereas, we have each and every one of us carefully considered the plans and proposition of the companies, and have made a personal observation of the same upon the grounds of the proposed works;

Be it Resolved, and it is hereby resolved that it is our unanimous opinion:

1. That the greatest present requirement of Eastern Ontario is cheap power.

2. That the obliteration of the scenic beauty of the Long Sault Rapids is at the most but a minor objection and should not be allowed to retard the industrial development of the whole of Eastern Ontario, which has so long remained dormant. It is our opinion, however, that the proposed undertaking will greatly enhance rather than destroy the attraction for tourists.

3. That the proposed undertaking will greatly benefit navigation on the St. Lawrence by furnishing an alternative channel for all classes of boats that now pass through the Cornwall Canal.

4. That we express our unqualified approval of the proposition of the St. Lawrence Power Company, Limited, subject, of course, to the approval of the Government Engineers as to the feasibility of the proposition and as to its effect upon property in the vicinity.

5. That every effort should be made to encourage the development of such a power, and that we urge the members of the Town Council of Brockville, the Board of Trade, the Trades and Labour Council, and the Boards of Water and Light Commissioners, to pass memorials endorsing the proposition, and to forward same to the Governor General in Council, in care of a large and influential delegation, or to take such other energetic steps as they may deem likely to further the proposition.—*Carried.*

W. H. KYLE, *Mayor.*

Aug. 19, 1909.

W. H. KYLE, *Mayor.*
W. H. HARRISON.
WM. C. McLAREN.
D. W. DOWNEY.
W. H. COMSTOCK.
WM. BUELL.
C. T. WINKINSON.
A. T. KILGRESS.
WM. AHEARNES.
A. M. PATTERSON.
W. H. DAVIS.
GEORGE A. WRIGHT.
H. Y. FARR.
W. J. CURLEY.
ROBT. CRAIG.
R. BOIOS, ESQ.
JOHN WEBSTER.
WM. B. THOMSON.
N. J. MANAHON.
GEO. A. DANA.
W. H. WOODROW.
WM. MILLER.
W. P. DAILEY.
J. H. ROSS.
B. DILLON.
C. S. COSSETT.
GAIUS ALLEN.

SESSIONAL PAPER No. 157.

PETITION OF THE TRADES AND LABOUR COUNCIL OF BROCKVILLE, ONT.

To His Excellency,

the Governor General in Council.

The Council of the Trades and Labour Federation are keenly interested in the proposed power development of the Long Sault by the St. Lawrence Power Company, Limited, and a number of your petitioners investigated, in a general way, the results that will follow the development of this power.

We fully appreciate that only experienced engineers are qualified to approve the detailed construction of the proposed works, and we rest assured that in considering this proposition Canadian interests will be maintained.

As a broad proposition, however, we are unanimous in favoring this power development at the Long Sault. Eastern Ontario has few developed water powers, while the Western parts are abundantly supplied with electricity, and, as a result, industrial conditions in Eastern sections are comparatively unsatisfactory.

We are convinced that labour conditions will be greatly improved as soon as electrical power is furnished to Brockville.

We realize that the Long Sault is a fine piece of scenery, but there are many other rapids along the St. Lawrence for tourists to enjoy during the short summer season.

The Long Sault earns scarcely one dollar per year for the tens of thousands of people living within one hundred miles of the rapids; when this power is developed, however, practically all of these people will be substantially benefitted thereby.

Navigation will be improved by the lock to be built in the South Sault Channel, thus doubling the capacity of the Cornwall Canal, and thus preventing any possible delay to shipping in case of a break in the existing canal.

The proposed dams will provide an artificial waterfall about one and one-half miles long, and in our estimation will fully equal the rapids as a scenic attraction.

The building of the proposed dams, power houses and factories will require the expenditure of many millions of dollars, and will give employment for several years to thousands of persons during the construction period. After these works are completed, permanent employment will be afforded for many thousand people.

We, therefore, humbly pray that Your Excellency will give most careful consideration to this matter and grant permission for building these great works which are so essential to the greater prosperity and welfare of your petitioners.

Respectfully submitted,

Signed by:—

President, F. W. CLOW.
Vice-President, G. L. BARCLAY.
Rec. Secretary, J. H. GILROY.
Fin. Secretary, Wm. J. CHAPMAN.
Treasurer, FRED J. CLUTTERBUCK.

THOS. DODDRIDGE.
S. A. LOGAN.
W. CALDWELL.
J. EDWARDS.
E. WATSON.
F. W. FINCH.
E. GOODISON.
ROD. O'CONNOR.
W. FRAZER.
ANSON CARR.
E. A. STEWART.
A. J. BARKER.
C. O'LEARY.
WM. McEATHRON.
J. E. FULLER.
W. E. BROWN.
EDW. J. BYRNE.
J. WALKER.
GEORGE H. HALL.
WM. DARLING.
G. J. BYERS.
WM. FARR.
A. F. GAULKE.
J. F. JOHNSTON.
W. PATHRON.
A. W. BAXTER.
F. L. PELLETIER.
PETER FERGURER.
J. WILLRICH.
WM. B. WARREN.
L. R. WETHERELL.
JOHN ARCHIBALD.
T. COBB.
PETER DUYER.
WILLIAM DIXON.
ED. DOYER.
H. B. SANDFORD.
FRANK ROONEY.
I. PALMER.
A. H. SAVARY.
G. A. McBRATNEY.

To His Excellency,
the Governor General in Council.

The Board of Trade of the Town of Prescott (duly incorporated) having considered the proposition of the St. Lawrence Power Company, Limited, for the development of power from the Long Sault Rapids, humbly represent:

That the progress of Eastern Ontario is very much retarded owing to lack of cheap power for manufacturing and mercantile purposes, by reason of which we are unable to obtain our share of the new industries in connection with the development of our country.

That we believe the proposition of the said, the St. Lawrence Power Company, Limited, if carried out, will supply abundance of power for the whole of this part of Canada, and thus enable us to obtain the location of new manufacturing industries in our midst, besides assisting industries already established.

That it will also improve navigation facilities by furnishing an alternative route for vessels which now use the Cornwall Canal, and in case of accident to the Cornwall Canal there will be no delay to navigation.

This proposition is of such tremendous importance to this part of Canada that, in our opinion, the present slight use of the Long Sault Rapids by tourists should not be allowed to delay the development of power, which will materially assist in the progress of our country.

That we believe the scenic beauty afforded by an immense overflow dam producing an enormous waterfall will provide a new attraction for tourists, which will more than surpass the present attraction of the Long Sault Rapids.

We, therefore, humbly pray that, subject to the approval of your Engineers, you may be pleased to grant the petition of the St. Lawrence Power Company, Limited.

Dated at Prescott, this 22nd day of November, 1909.

Signed:

F. G. EVANSON, *Chairman.*
W. F. MacPHERSON, *Secretary.*
D. M. McCARTHY, *Vice-President.*
W. J. PURKES.
P. N. NUPIER.
CHAS. BAKER.
C. F. McPHERSON.
J. H. BRADLEY.
E. C. PUISONNAULT.
W. J. KILFORD.
GEO. MASON.
A. M. HALLIDAY.
JAS. A. KAVANAGH.
J. K. DOUSLEY.
F. B. BARKLEY.
S. E. MILLS.
FRED ROWE.
J. A. McFEE.
ALBERT WHILINS.
H. P. BINGHAM.
H. ROUKINS.
L. H. DANIELS.

To His Excellency,
the Governor General in Council.

The Petition of the Municipal Council of the Corporation of the Town of Prescott, in the County of Grenville,

Humbly Sheweth:

Whereas, there is a very great demand in Eastern Ontario for abundant, cheap and reliable electric power. Along the river fronts as well as in the interior towns, there is practically no hydro-electric power developed, (except in a small degree, by the use of the Canal water in Cardinal, Iroquois, Morrisburg and Cornwall). All other power in Eastern Ontario is generated by steam, at a much greater cost than hydro-electric power is selling for in Western Ontario and elsewhere; and,

Whereas, the western part of Ontario has been supplied with abundant hydro-electric power at reasonable cost, and as a result this section of the country has experienced very substantial commercial and industrial growth, while the eastern part of Ontario has practically made no industrial progress for the past two decades; and,

Whereas, Eastern Ontario has natural resources of tremendous industrial possibilities, not only in the development of the water power of the St. Lawrence River, and supplying all existing demands for power in Eastern Ontario, but also in the establishments of new industries, particularly in the towns along the river front; and,

Whereas, Government permission is being sought by the owners of the riparian rights adjacent to the Long Sault Rapids, to construct certain dams, power houses, canals and controlling works for the development of the hydro-electric power that can be made available by the proposed works. The plans of the owners of these rights in Canada, the St. Lawrence Power Company, Limited, provide for the ultimate development and complete utilization of the total potentiality of the St. Lawrence, and when their proposed works are completed this Company will be able to supply all demands for power within the radius of transmission from the power house; and,

Whereas, delegations consisting of several members of the Municipal Council of the Town of Prescott, including His Worship, Mayor L. H. Daniels, have made a careful investigation of the commercial possibilities of the hydro-electric development of the Long Sault as proposed by the St. Lawrence Power Company, Limited, and have also considered the broad general scheme, (not from an engineering standpoint, except in a minor degree), in respect to its effect upon the scenic beauty of the river, its effect upon navigation interests, and its effect upon entire Eastern Ontario; and,

Whereas, we are thoroughly convinced that the scenic beauty afforded by the enormous overflow dam, between Barnhard and Long Sault Islands, (which dam will have a length of about three thousand eight hundred feet, equal to thirteen city blocks), will produce a waterfall far surpassing the present attraction of the Long Sault. And we are unanimous in our opinion that such a sight will be a more powerful attraction to the tourist traffic along the river than the Long Sault, particularly so in view of the fact that there are five other rapids on the St. Lawrence below, and two above the Long Sault; and,

Whereas, the Long Sault Development Company, which is conjointly interested with the St. Lawrence Power Company, Limited, in this proposed power development, will build, under the direction of the United States Government, a single lock in the South Sault Channel, near the eastern end of Long Sault Island, that will enable all boats using the St. Lawrence to pass the Long Sault in a single lockage, using broad river channels instead of the Cornwall Canal, 11¼ miles in length, and containing six locks. This lock will duplicate the facilities afforded by the Cornwall Canal, will shorten the time of passage past the Long Sault several hours, and will necessarily be of great value to all navigation interests of the river; and,

Whereas, the Canadian Government, through its Engineering Department, will safeguard all Canadian interests so far as protection of navigation and engineering questions are concerned;

Now, therefore, be is resolved that as a broad commercial proposition, affecting the entire industrial life of all Eastern Ontario, the Municipal Council of the Town of Prescott hereby gives its unqualified and hearty approval to the proposed hydro-electric development of the Long Sault, and endorses the scheme as the only substantial and meritorious proposition that has up to the present time been considered for supplying this district with abundant and reliable electric power which can be had at low rates; and,

Be it further Resolved, that the Municipal Council of the Town of Prescott urgently requests Your Excellency to grant, or cause to be granted, the petition of the St. Lawrence Power Company, Limited, to construct their proposed works in Canada, subject to the proper Government inspection and approval.

In Testimony Whereof we have in Council assembled caused the Corporate Seal of the said Corporation to be affixed hereto by the hands of our Mayor and Clerk, this sixteenth day of August, A.D. 1909.

GEO. ROOK,
Clerk.

(Sgd.) L. H. DANIELS,
Mayor.

(*Seal.*)

SESSIONAL PAPER No. 157.

P. C. 212.

QUEBEC, February 5th. 1910.

THE RIGHT HONOURABLE
SIR WILFRID LAURIER, P.C., G.C.M.G., D.C.L.,
Prime Minister of Canada.

SIR WILFRID,—

I have been instructed to write you as follows, on behalf of the Quebec Board of Trade:

During the present session of the Dominion Parliament, it is likely that applications will be made for charters for two power development schemes in the Rapids of the St. Lawrence River.

The Long Sault Development Company propose to completely dam the River St. Lawrence from the Canadian shore to the American shore, in the vicinity of the Long Sault Rapids, near Cornwall, Ont., and if their plans have not been changed since submitted to the International Waterways Commission, propose to build a lock as part of their works, which they claim would relieve any congestion now felt in the Cornwall Canal, or caused by the erection of their works.

What does the damming of the St. Lawrence mean?

That our mighty river and our commercial highway, from the Great Lakes to the Sea, will have the continuity of its natural flow broken.

That a stream first used commercially in 1843, for the conveyance of British troops, being transferred from Kingston to the West Indies, and continuously since until some 50,000 to 60,000 persons descend it annually by boat, as well as freight steamers, rafts will be blocked by these dams and the only means of transportation by canal.

That certain water powers now existing will be rendered valueless.

That there is liability of floods in the Spring west of these dams and that the depth of water in the River east of them, and possibly at Montreal, may be affected at certain seasons of the year.

That the control of the whole River St. Lawrence will be handed over to a Corporation.

That insurance rates on vessels now operating the St. Lawrence Canals are one per cent. higher than if they only came as far as Ogdensburg, owing to the dangers caused through these power plants in Canal waters.

That the Dominion Government are asked to give away rights which may later affect the development of the St. Lawrence route and the increase in the Canal facilities which are already taxed almost to their utmost to give the despatch that is required, and will be even more congested should the rafts and steamers now using the rapids be forced to use the canals.

Must we hasten to give permission to dam the St. Lawrence River? Are there not a number of water powers developed which are not so far away from the district which they claim will get cheap power, water powers which are not located on navigable rivers?

From a Canadian standpoint, how much benefit is Canada going to derive from the scheme, as against the sacrifices made when giving permission to dam the St. Lawrence River?

Is not the capital behind the scheme largely United States capital, and two-thirds of the power at least to be developed in the United States, for the benefit of the Pittsburg Reduction Company, who already have a power plant

at Messena, and whose head of water would be enormously increased by the building of these dams.

The Cedar Rapids Power Company is a similar scheme, but it does not contemplate the entire damming of the River. It is the opinion of expert navigators that the proposed works would make it impossible for steamers to run the Cedar Rapids, and it is certain that they would force the rafts into the Canals with result that other traffic would be held up.

The proposed works of the Long Sault Development Company are in a navigable stream, and before anything is done in a navigable stream they must have a permit from the United States War Department and the Department of Public Works of Canada.

Are the people of Canada going to give their sanction? If not, it behooves us to take enough interest in opposing this scheme to see that our representative at Ottawa does his part towards preventing it.

Your most obedient servant,

(Sgd.) G. LEVASSEUR,
Secretary.

P. C. 212.

OTTAWA, 14th February, 1910.

SIR,—

I have the honour, by the direction of the Right Honourable Sir Wilfrid Laurier, to acknowledge receipt of your communication of the 5th instant, on behalf of the Quebec Board of Trade, respecting two power development schemes in the Rapids of the St. Lawrence River, and to state that the same will receive due consideration.

I have the honour to be,
Sir,
Your obedient servant,

(Sgd.) F. K. BENNETTS,
Assistant Clerk of the Privy Council.

G. Levasseur, Esq.,
Secretary,
Quebec Board of Trade,
Quebec.

P. C. 542.

TO HIS EXCELLENCY THE RIGHT HONOURABLE EARL GREY, G.C.M.G.,
Governor General of Canada in Council.

The Petition of the National Council of Women of Canada,

Humbly Sheweth:—

That your petitioners have been advised that there is to be submitted to the Parliament of Canada an application on behalf of the St. Lawrence Power

Company for leave to construct dams across the St. Lawrence River at and near the Long Sault Rapids.

That your petitioners have given careful consideration to the proposed project and are satisfied that the construction of such works would be most detrimental to national interests, for the reasons more particularly as follows:

1st. Serious damage might arise from the proposed works, such as recurrent ice jams and extensive floods; the possible drying up of the River and consequent imperilling of the Cornwall Canal (an essential part of the all-Canadian waterway from Lake Superior to the Sea); the impeding of navigation and the loss inflicted upon the country from Prescott to Quebec. Notwithstanding the opinion expressed by engineers, it is a well established fact that interference with the course of the river often gives rise to consequences which could no have been predictd. The residents of the district, familiar with the history of the river, state that in the past, even slight obstruction has caused great damage from ice-jams and floods. In recent years, the history of Niagara Falls well illustrates the unforeseen and disastrous results arising from artificial conditions.

2nd. The construction of such dams would necessitate the employment of a new route, the South Sault Channel, which is pronounced inferior to the present route.

3rd. The question of providing for deeper navigation upon the St. Lawrence will undoubtedly arise at some future date, and a work of such national importance should in no wise be hampered, much less prevented, by the necessity of expropriation and the possibility of international complications.

4th. There is at present no demand for the additional development of power for Canadian requiremens, and should such power be required it could be easily provided from other sources without interfering with the St. Lawrence River.

5th. While it is not at present needed, there is no doubt that, at some future date, the enormous power capable of development at the Long Sault Rapids will be required by Canada. It should, therefore, be carefully safeguarded as a most valuable national asset.

6th. The greater part of the proposed works will be on foreign soil and only a small proportion of the total power will be developed in Canada. Canadian interests and requirements are evidently not an appreciable factor in the plans of the Company. Although one-half of the potential power belongs to Canada, it would, if once alienated, never be recoverable.

7th. In addition to economic considerations, only extreme necessity would justify the destruction of the beauty of the Long Sault Rapids, with which are linked imperishable historic associations.

From the above considerations it would seem evident that the Government of Canada should maintain unimpaired its rights and jurisdiction over its own waterways.

Wherefore your petitioners humbly pray that Your Excellency may not approve of legislation granting the proposed rights and powers to the St. Lawrence Power Company.

And your petitioners, as in duty bound, will ever pray, etc., etc.

(Sgd.) MARGARET TAYLOR, *Acting President.*
SOPHIE SANFORD, *Vice-President,* Hamilton.
CARRIE M. DERICK, *Vice-President,* Montreal.
MARIA E. FROST, *Treasurer,* Smith's Falls.
BELLA McINTOSH, *Recording Secy.,* Montreal.

Signed on behalf of the
National Council of Women of Canada,
44 Dewson Street, Toronto,
March 17, 1910.

P. C. 33.

Certified copy of a Report of the Committee of the Privy Council, approved by His Excellency the Governor General on January 11th, 1911.

The Committee of the Privy Council have had under consideration a report, dated 7th January, 1911, from the Secretary of State for External Affairs representing that a Bill has been introduced and is now before the Congress of the United States, the object of which is to obtain power to dam the St. Lawrence River at a point near the Long Sault Rapids. The Bill provides for the erection of a dam or dams on the south side of the boundary line in United States waters, separately or in conjunction with dams to be erected upon the Canadian side, under powers which are of course obtainable only from the Parliament of Canada.

The Minister states that representations have been made to Your Excellency's Government that it is undesirable in the interests of Canada that any of these structures should be authorized.

While it may not concern Your Excellency's Government to make representations to the Government of the United States upon the subject, if the effect of the proposed dams in the waters of the United States will not extend to the waters upon the Canadian side of the boundary, the Minister desires to point out that the waters of the St. Lawrence River at the place in question are boundary waters within the meaning of the preliminary article of the Boundary Convention of the 11th January, 1909, and that by Article 3 of the said Boundary Convention it is agreed that no obstruction or diversion, whether temporary or permanent, of boundary waters on either side of the line, affecting the natural level or flow of boundary waters on the other side of the line, shall be made, except by authority of the United States or the Dominion of Canada within their respective jurisdictions and with the approval of the International Joint Commission.

Since, therefore, it may be that the dams proposed to be authorized by the Bill in question would constitute obstructions within the meaning of the said Article, the Minister suggests that representations should be made through His Majesty's Ambassador at Washington to the Government of the United States, pointing out the application of the Treaty to the proposed works and intimating that in the view of your Excellency's advisers these works cannot be authorized or executed except with the approval of the International Joint Commission.

The Committee concur in the foregoing and submit the same for Your Excellency's approval.

RODOLPHE BOUDREAU,
Clerk of the Privy Council.

SESSIONAL PAPER No. 157.

P. C. 33 (a).

61st Congress, 2nd Session. H. R. 14531.

IN THE HOUSE OF REPRESENTATIVES,

December 14th, 1909.

MR. MALBY introduced the following Bill,—which was referred to the Committee on Rivers and Harbours, and ordered to be printed.

A BILL

To provide for the construction of dams, locks, canals, and other appurtenant structures in the Saint Lawrence River at and near Long Sault Island, Saint Lawrence County, New York.

I. Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

That the Long Sault Development Company, a corporation organized under the laws of the State of New York, its successors and assigns, be, and they hereby are, authorized to construct, maintain and operate for water power and other purposes a dam or dams across the St. Lawrence River between points on the United States and Canadian shores of said River near Long Sault Island or Barnhart's Island or Sheek Island, and the said Islands, or any of them, and between said Islands, in and across so much of the said river as lies south of the International boundary line between the United States of America and the Dominion of Canada, either independently or in connection with like works now erected or to be erected in and across so much of said river as lies to the north, or Canadian, side of the said International boundary line, and in connection with such dam or dams, a bridge or bridges and approaches thereto, and a lock or locks, a canal, or canals, and other structures appurtenant thereto;

Provided:—That such dam or dams, lock or locks, canal or canals, and other structures appurtenant thereto shall be constructed, maintained, and operated in all respects subject to and in accordance with the provisions of the Act entitled "An Act to regulate the construction of dams across navigable waters" approved June twenty-first, nineteen hundred and six;

And provided further, that such bridge or bridges, and approaches thereto shall be constructed, maintained and operated in all respects subject to and in accordance with the provisions of the Act entitled "An Act to regulate the construction of bridges over navigable waters." approved March twenty-third, nineteen hundred and six, except that the actual construction of the works hereby authorized shall be commenced within one year and completed within fifteen years from th date of the passage of this Act, or from the date of the consent of the proper authorities of the United States of America and the Dominion of Canada to the construction of said works, or of the approval of the plans and specifications and location and accessory works thereof; and this Act shall not be construed as authorizing said Company, its successors or assigns, to construct the said dams, canals, locks, and other works until such consent and approval shall be obtained.

RETURN

(104a)

1. International Boundary Waters Treaty, signed at Washington, 11th January, 1909.

2. Rider attached by the United States Senate.

His Majesty the King of the United Kingdom of Great Britain and Ireland and of the British Dominions beyond the Seas, Emperor of India; and the United States of America, being equally desirous to prevent disputes regarding the use of boundary waters and to settle all questions which are now pending between the United States and the Dominion of Canada involving the rights, obligations or interests of either in relation to the other or to the inhabitants of the other, along their common frontier, and to make provision for the adjustment and settlement of all such questions as may hereafer arise, have resolved to conclude a treaty in furtherance of these ends, and for that purpose have appointed as their respective plenipotentiaries:

His Britannic Majesty, the Right Honourable James Bryce, O.M., his Ambassador Extraordinary and Plenipoentiary at Washington; and

The President of the United States, Elihu Root, Secretary of State of the United States;

Who, after having communicated to one another their full powers, found in good and due form, have agreed upon the following articles:

PRELIMINARY ARTICLE.

For the purposes of this treaty, boundary waters are defined as the waters from main shore to main shore of the lakes and rivers and connecting waterways, or the portions thereof, along which the international boundary between the United States and the Dominion of Canada passes, including all bays, arms and inlets thereof, but not including tributary waters which in their natural channels would flow into such lakes, rivers and waterways, or waters flowing from such lakes, rivers and waterways, or the waters of rivers flowing across the boundary.

ARTICLE I.

The high contracting parties agree that the navigation of all navigable boundary waters shall forever continue free and open for the purposes of commerce to the inhabitants and to the ships, vessels, and boats of both countries equally, subject, however, to any laws and regulations of either country, within its own territory, not inconsistent with such privilege of free navigation and applying equally and without discrimination to the inhabitants, ships, vessels, and boats of both countries.

It is further agreed that so long as this treaty shall remain in force, this same right of navigation shall extend to the waters of Lake Michigan and to all canals connecting boundary waters, and now existing or which may hereafter be constructed on either side of the line. Either of the high contracting parties may adopt rules and regulations governing the use of such canals within its own territory and may charge tolls for the use thereof, but all such rules and

regulations and all tolls charged shall apply alike to the subjects or citizens of the high contracting parties and the ships, vessels, and boats of both of the high contracting parties, and they shall be placed on terms of equality in the use thereof.

ARTICLE II.

Each of the high contracting parties reserves to itself or to the several state governments on the one side and the Dominion or provincial governments on the other as the case may be, subject to any treaty provisions now existing with respect thereto, the exclusive jurisdiction and control over the use and diversion, whether temporary or permanent, of all waters on its own side of the line which in thir natural channels would flow across the boundary or into boundary waters; but it is agreed that any interference with or diversion from their natural channel of such waters on either side of the boundary, resulting in any injury on th other side of the boundary, shall give rise to the same rights and entitle the injured parties to the same legal remedies as if such injury took place in the county where such diversion or interference occurs; but this provision shall not apply to cases already existing or to cases expressly covered by special agreement between the parties hereto.

It is understood, however, that neither of the high contracting parties intends by the foregoing provision to surrender any right, which it may have, to object to any interference with or diversions of waters on the other side of the boundary the effect of which would be productive of material injury to the navigation interests on its own side of the boundary.

ARTICLE III.

It is agreed that, in addition to the uses, obstructions, and diversions heretofore permitted or hereafter provided for by special agreement between the parties hereto, no further or other uses or obstructions or diversions, whether temporary or permanent, of boundary waters on either side of the line, affecting the natural level or flow of boundary waters on the other side of the line, shall be made except by authority of the United States or the Dominion of Canada within their respective jurisdictions and with the approval, as hereinafter provided, of a joint commission, to be known as the International Joint Commission.

The foregoing provisions are not intended to limit or interfere with the existing rights of the government of the United States on the one side and the government of the Dominion of Canada on the other, to undertake and carry on governmental works in boundary waters for the deepening of channels, the construction of breakwaters, the improvement of harbours, and other governmental works for the benefit of commerce and navigation, provided that such works are wholly on its own side of the line and do not materially affect the level or flow of the boundary waters on the other, nor are such provisions intended to interfere with the ordinary use of such waters for domestic and sanitary purposes.

ARTICLE IV.

The high contracting parties agree that, except in cases provided for by special agreement between them, they will not permit the construction or maintnance on their respective sides of the boundary of any remedial or protective works or any dams or other obstructions in waters flowing from boundary

waters or in waters at a lower level than the boundary in rivers flowing across the boundary, the effect of which is to raise the natural level of waters on the other side of the boundary, unless the construction or maintenance thereof is approved by the aforesaid International Joint Commission.

It is further agreed that the waters herein defined as boundary waters and waters flowing across the boundary shall not be polluted on either side to the injury of health or property on the other.

ARTICLE V.

The high contracting parties agree that it is expedient to limit the diversion of waters from the Niagara river, so that the level of Lake Erie and the flow of the stream shall not be appreciably affected. It is the desire of both parties to accomplish this object with the least possible injury to investments which have already been made in the construction of power plants on the United States side of the river under grants of authority from the State of New York, and on the Canadian side of the river under licenses authorized by the Dominion of Canada and the province of Ontario.

So long as this treaty shall remain in force no diversion of the waters of the Niagara river above the falls from the natural course and stream thereof shall be permitted except for the purposes and to the extent hereinaftr provided.

The United States may authorize and permit the diversion within the State of New York of the waters of said river above the Falls of Niagara, for power purposes, not exceeding in the aggregate a daily diversion at the rate of twenty thousand cubic feet of water per second.

The United Kingdom, by the Dominion of Canada, or the province of Ontario, may authorize and permit the diversion within the province of Ontario of the waters of said river above the Falls of Niagara, for power purposes, not exceeding in the aggregate a daily diversion at the rate of thirty-six thousand cubic feet of water per second.

The prohibitions of this article shall not apply to the diversion of water for sanitary or domestic purposes, or for the service of canals for the purposes of navigation.

ARTICLE VI.

The high contracting parties agree that the St. Mary and Milk rivers and their tributaries (in the State of Montana and the provinces of Alberta and Saskatchewan) are to be treated as one stream for the purposes of irrigation and power, and the waters thereof shall be apportioned equally between the countries, but in making such equal apportionment more than half may be taken from one river and less than half from the other by either country so as to afford a more beneficial use to each. It is further agreed that in the division of such waters during the irrigation season, between the 1st of April and 31st of October, inclusive, annually, the United States is entitled to a prior appropriation of 500 cubic feet per second of the waters of the Milk river, or so much of such amount as constitutes three-fourths of its natural flow, and that Canada is entitled to a prior appropriation of 500 cubic feet per second of the flow of St. Mary river, or so much of such amount as constitutes three-fourths of its natural flow.

The channel of the Milk river in Canada may be used at the convenience of the United States for the conveyance, while passing through Canadian territory, of waters diverted from the St. Mary river. The provisions of Article II.

of this Treaty shall apply to any injury resulting to property in Canada from the conveyance of such waters through the Milk river.

The measurement and apportionment of the water to be used by each country shall from time to time be made jointly by the properly constituted reclamation officers of the United States and the properly constituted irrigation officers of His Majesty under the direction of the International Joint Commission.

ARTICLE VII.

The high contracting parties agree to establish and maintain an International Joint Commission of the United States and Canada composed of six commissioners, three on the part of the United States appointed by the President thereof, and three on the part of the United Kingdom appointed by His Majesty on the recommendation of the Governor in Council of the Dominion of Canada.

ARTICLE VIII.

The International Joint Commission shall have jurisdiction over and shall pass upon all cases involving the use or obstruction or diversion of the waters with respect to which under Articles III. and IV. of this treaty the approval of this Commission is required, and in passing upon such cases the Commission shall be governed by the following rules or principles which are adopted by the high contracting parties for this purpose:

The high contracting parties shall have, each on its own side of the boundary equal and similar rights in the use of the waters hereinbefore defined as boundary waters.

The following order of precedence shall be observed among the various uses enumerated hereinafter for these waters, and no use shall be permitted which tends materially to conflict with or restrain any other use which is given preference over it in this order of precedence:

(1) Uses for domestic and sanitary purposes;

(2) Uses for navigation, including the service of canals for the purposes of navigation;

(3) Uses for power and for irrigation purposes.

The foregoing provision shall not apply to or disturb any existing uses of boundary waters on either side of the boundary.

The requirement for an equal division may in the discretion of the Commission be suspended in cases of temporary diversions along boundary waters at points where such equal division can not be made advantageously on account of local conditions, and where such diversion does not diminish elsewhere the amount available for use on the other side.

The Commission in its discretion may take its approval in any case conditional upon the construction of remedial or protective works to compensate so far as possible for the particular use or diversion proposed, and in such cases may require that suitable and adequate provision, approved by the Commission, be made for the protection and indemnity against injury of any interests on either side of the boundary.

In cases involving the elevation of the natural level of waters on either side of the line as a result of the construction or maintenance on the other side of remedial or protective works or dams or other obstructions in boundary waters or in waters flowing therefrom or in waters below the boundary in rivers flowing across the boundary, the Commission shall require, as a condition of

its approval thereof, that suitable and adequate provision, approved by it, be made for the protection and indemnity of all interests on the other side of the line which may be injured thereby.

The majority of the Commissioners shall have power to render a decision. In case the Commission is evenly divided upon any question or matter presented to it for decision, separate reports shall be made by the Commissioners on each side to their own government. The high contracting parties shall thereupon endeavour to agree upon an adjustment of the question or matter of difference, and if an agreement is reached between them, it shall be reduced to writing in the form of a protocol, and shall be communicated to the Commissioners, who shall take such further proceedings as may be necessary to carry out such agreement.

ARTICLE IX.

The high contracting parties further agree that any other questions or matters of difference arising between them involving the rights, obligations, or interests of either in relation to the other, or to the inhabitants of the other, along the common frontier between the United States and the Dominion of Canada, shall be referred from time to time to the International Joint Commission for examination and report, whenever either the government of the Unitd States or the government of the Dominion of Canada shall request that such questions or matters of difference be so referred.

The International Joint Commission is authorized in each case so referred to examine into and report upon the facts and circumstances of the particular questions and matters referred, together with such conclusions and recommendations as may be appropriate, subject, however, to any restrictions or exceptions which may be imposed with respect thereto by the terms of the reference.

Such reports of the Commission shall not be regarded as decisions of the questions or matters so submitted either on the facts or the law, and shall in no way have the character of an arbitral award.

The Commission shall make a joint report to both governments in all cases in which all or a majority of the Commissioners agree, and in case of disagreement the minority may make a joint report to both governments, or separate reports to their respective governments.

In case the Commission is evenly divided upon any question or matter referred to it for report, separate reports shall be made by the Commissioners on each side to their own government.

ARTICLE X.

Any questions or matters of difference arising between the high contracting parties involving the rights, obligations, or interests of the United States or of the Dominion of Canada, either in relation to each other or to their respective inhabitants, may be referred for decision to the International Joint Commission by the consent of the two parties, it being understood that on the part of the United States any such action will be by and with the advice and consent of the Senate, and on the part of His Majesty's government with the consent of the Governor General in Council. In each case so referred, the said Commission is authorized to examine into and report upon the facts and circumstances of the particular questions and matters referred, together with such conclusions and recommendations as may be appropriate, subject, however, to any restrictions or exceptions which may be imposed with respect thereto by the terms of the reference.

A majority of the said Commission shall have power to render a decision or finding upon any of the questions or matters so referred.

If the said Commission is equally divided or otherwise unable to render a decision or finding as to any questions or matters so referred, it shall be the duty of the Commissioners to make a joint report to both governments, or separate reports to their respective governments, showing the different conclusions arrived at with regard to the matters or questions so referred, which questions or matters shall thereupon be referred for decision by the high contracting parties to an umpire chosen in accordance with the procedure prescribed in the fourth, fifth and sixth paragraphs of Article XLV. of The Hague Convention for the Pacific settlement of international disputes, dated October 18, 1907. Such umpire shall have power to render a final decision with respect to those mattrs and questions so referred on which the Commission failed to agree.

Article XI.

A duplicate original of all decisions rendered and joint reports made by the Commission shall be transmitted to and filed with the Secretary of State of the United States and the Governor General of the Dominion of Canada, and to them shall be addressed all communications of the Commission.

Article XII.

The International Joint Commission shall meet and organize at Washington promptly after the members thereof are appointed, and when organized the Commission may fix such times and places for its meetings as may be necessary, subject at all times to special call or direction by the two governments. Each Commissioner, upon the first joint meeting of the Commission after his appointment, shall before proceeding with the work of the Commission, make and subscribe a solemn declaration in writing that he will faithfully and impartially perform the duties imposed upon him under this treaty, and such declaration shall be entered on the records of the proceedings of the Commission.

The United States and Canadian sections of the Commission may each appoint a secretary, and these shall act as joint secretaries of the Commission at its joint sessions and the Commission may employ engineers and clerical assistants from time to time as it may deem advisable. The salaries and personal expenses of the Commission and of the secretaries shall be paid by their respective governments, and all reasonable and necessary joint expenses of the Commission, incurred by it, shall be paid in equal moieties by the high contracting parties.

The Commission shall have power to administer oaths to witnesses and to take evidence on oath whenever deemed necessary in any proceeding, or inquiry, or matter within its jurisdiction under this treaty, and all parties interested therein shall be given convenient opportunity to be heard, and the high contracting parties agree to adopt such legislation as may be appropriate and necessary to give the Commission the powers above mentioned on each side of the boundary, and to provide for the issue of subpœnas and for compelling the attendance of witnesses in proceedings before the Commission. The Commission may adopt such rules of procedure as shall be in accordance with justice and equity, and may make such examination in person and through agents or employees as may be deemed advisable.

ARTICLE XIII.

In all cases where special agreements between the high contracting parties hereto are referred to in the foregoing articles, such agreements are understood and intended to include not only direct agreements between the high contracting parties, but also any mutual arrangement between the United States and the Dominion of Canada expressed by concurrent or reciprocal legislation on the part of Congress and the Parliament of the Dominion.

ARTICLE XIV.

The present treaty shall be ratified by His Britannic Majesty and by the President of the United States of America by and with the advice and consent of the Senate thereof. The ratifications shall be exchanged at Washington as soon as possible and the treaty shall take effect on the date of the exchange of its ratifications. It shall remain in force for five years, dating from the day of exchange of ratifications, and thereafter until terminated by twelve months' written notice given by either high contracting party to the other.

In faith whereof the respective plenipotentiaries have signed this treaty in duplicate and have hereunto affixed their seals.

Done at Washington, the 11th day of January, in the year of our Lord, one thousand nine hundred and nine.

RIDER ATTACHED BY UNITED STATES SENATE.

IN EXECUTIVE SESSION,
SENATE OF THE UNITED STATES, March 3, 1909.

Resolved (Two-thirds of the Senators present concurring therein), That the Senate advise and consent to the ratification of the treaty between the United States and Great Britain, providing for the settlement of international differences between the United States and Canada, signed on the 11th day of January, 1909.

Resolved further (As a part of this ratification), That the United States approves this treaty with the understanding that nothing in this treaty shall be construed as affecting, or changing, any existing territorial, or riparian rights in the water, or rights of the owners of lands under water, on either side of the international boundary at the rapids of the St. Mary's river at Sault Ste. Marie, in the use of the waters flowing over such lands, subject to the requirements of navigation in boundary waters and of navigation canals, and without prejudice to the existing right of the United States and Canada, each to use the waters of the St. Mary's river, within its own territory; and, further, that nothing in this treaty shall be construed to interfere with the drainage of wet, swamp, and overflowed lands into streams flowing into boundary waters, and that this interpretation will be mentioned in the ratification of this treaty as conveying the true meaning of the treaty, and will, in effect, form part of the treaty.

BRITISH EMBASSY,
WASHINGTON, February 3, 1911.

MY LORD,—

I have the honour to forward herewith, as Your Excellency requested, two copies of the Bill for the improvement of the St. Lawrence, which has just been

SESSIONAL PAPER No. 157.

reported by the Committee on Rivers and Harbours, and also two copies of the Report.

The provisions made for safeguarding the rights of the Canadian Government in the Bill and the powers conferred are in Section 2 declared to be subject to the provisions of the Boundary Waters Treaty of 1909. It would seem to be a matter for the consideration of Your Excellency's Government whether it might not be advisable to conclude some permanent arrangement with the United States Government for regulating the procedure in similar cases in future, for the purpose of providing in the common interest of both countries that all projects of an international character for works to be carried out in boundary waters, should in the first instance be submitted to the Waterways Commission for a report or decision at the earliest possible stage of such a project.

Should Your Excellency's Government after consideration be of opinion that suggestions on this or other similar points might usefully be made, an early opportunity might be taken of sounding the United States Government on the subject.

I have the honour to be, My Lord,

Your Excellency's most obedient, humble servant,

(Sgd.) BRYCE.

To His Excellency, The Right Honourable,
The Earl Grey, G.C.M.G., etc., etc., etc., the Governor General.

61st Congress. H. R. 32219.
3rd Session.

[Report No. 2032.]

IN THE HOUSE OF REPRESENTATIVES,
January 28, 1911.

MR. YOUNG of Michigan introduced the following Bill; which was referred to the Committee on Rivers and Harbours, and ordered to be printed.

JANUARY 31, 1911.

Referred to the House Calendar and ordered to be printed.

A BILL

To provide for the improvement of navigation in the Saint Lawrence River and for the construction of dams, locks, canals, and other appurtenant structures therein, at and near Long Sault, Barnhart, and Sheek Islands.

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

That the Long Sault Development Company, a corporation organized under a law of the State of New York, entitled "An Act to incorporate the Long Sault Development Company, and to authorize said company to construct and main-

tain dams, canals, power houses, and locks at or near Long Sault Island, for the purpose of improving the navigation of the Saint Lawrence River and developing power from the waters thereof, and to construct and maintain a bridge, and carry on the manufacture of commodities," which became effective May twenty-third, nineteen hundred and seven, its successors and assigns, be, and they hereby are, authorized to construct, maintain, and operate for navigation, water power, and other purposes for a period of ninety-nine years a dam or dams in so much of the Saint Lawrence River as lies south of the international boundary line between the United States of America and the Dominion of Canada, near Long Sault, Barnhart, and Sheek Islands, either independently or in connection with like works now erected or to be erected in so much of said river as lies north of said international boundary line, with a bridge or bridges and approaches thereto, and a lock or locks, a canal or canals, and other structures appurtenant thereto: *Provided*, That such dam or dams, lock or locks, canal or canals, and other structures appurtenant thereto, except as herein otherwise provided, shall be constructed, maintained, operated, modified, or removed in all respects subject to and in accordance with the provisions of the Act entitled "An Act to amend an Act entitled 'An Act to regulate the construction of dams across navigable waters,'" approved June twenty-third, nineteen hundred and ten: *Provided further*, That such bridge or bridges and approaches thereto, except as herein otherwise provided, shall be constructed, maintained, operated, modified, or removed in all respects subject to and in accordance with the provisions of the Act entitled "An Act to regulate the construction of bridges over navigable waters," approved March twenty-third, nineteen hundred and six: *And provided further*, That the Secretary of War shall cause a survey of that portion of the Saint Lawrence River to be affected by said improvements, to be made with a view to securing a navigable channel, suitable for commerce up and down said river, from a point opposite the western end of Croil Island to a point opposite the eastern end of Barnhart Island, together with plans and specifications therefor, and all rights herein granted to the Long Sault Development Company shall be conditional on its improvement of said channel at its own expense, in accordance with said plans and specifications, said channel to be completed simultaneously with the other works herein authorized, all expenses connected with such survey and the preparation of such plans and specifications to be paid by the said company, its successors, or assigns.

SEC. 2. That said Long Sault Development Company, its successors and assigns, shall be subject to the provisions of the treaty between the United States and Great Britain relative to the boundary waters between the United States and Canada, proclaimed by the President of the United States on the thirteenth day of May, nineteen hundred and ten.

SEC. 3. That the actual construction of the works hereby authorized shall be commenced within two years and shall be completed within fifteen years from the date of the passage of this Act; otherwise this Act shall be void, and the rights hereby conferred shall cease and be determined.

SEC. 4. That if said Long Sault Development Company, or any other company or companies acting with it in such development, shall develop power by the construction of works a part of which shall be located north of the international boundary line, at least one-half of the power generated shall be delivered in the United States: *Provided*, That when in the opinion of the Secretary of War and the Chief of Engineers use can not be found in the United States for the full share thus assigned to this country the surplus may be temporarily diverted to Canada, but shall be returned to the United States when

in the opinion of said officers it is needed: *Provided further*, That nothing herein contained shall be construed to prevent the importation from Canada of the whole or any part of the power generated from any of the said works in the Saint Lawrence River.

SEC. 5. That should the works hereby authorized be or become at any time in the opinion of the Secretary of War and the Chief of Engineers, inadequate to accommodate, or an interference with, the navigation of that portion of the Saint Lawrence River affected thereby, said company, its successors or assigns, shall, under the supervision of the Secretary of War and the Chief of Engineers, make adequate provision for the accommodation of navigation; and should said company, its successors or assigns, fail so to do, the United States Government shall, under the supervision of the Secretary of War and the Chief of Engineers, do anything required to make such provision for navigation, and the expense thereof shall constitute a debt of said company, its successors or assigns, and a lien upon all its property.

SEC. 6. That the Long Sault Development Company shall execute a bond obligatory on itself, its successors and assigns, with good and solvent sureties in the sum of five hundred thousand dollars, payable to the United States, for the use and benefit of the riparian and other landowners in and along the Saint Lawrence River conditioned to pay all damages that may accrue to them, or any of them, by reason of overflow, ice jams, and other causes produced by the erection or maintenance of said dam or dams, and the work of construction shall not commence until said bond is executed and approved by the Secretary of War and deposited in the War Department.

SEC. 7. That the right to alter, amend, or repeal this Act is hereby expressly reserved, and the United States shall incur no liability because of the alteration, amendment, or repeal thereof.

61st Congress, 3rd Session. Report No. 2032.

HOUSE OF REPRESENTATIVES.

IMPROVEMENT OF THE ST. LAWRENCE RIVER.

JANUARY 31, 1911.—Referred to the House Calendar and ordered to be printed, with illustrations.

MR. YOUNG of Michigan, from the Committee on Rivers and Harbours, submitted the following

REPORT.

[To accompany H. R. 32219.]

The Committee on Rivers and Harbours in presenting the accompanying bill to provide for the improvement of navigation in the St. Lawrence River submits the following explanation thereof, and recommends that the bill do pass:

1. THE PROVISIONS OF THE BILL.

The bill authorizes the Long Sault Development Co., a corporation organized under a special law of the State of New York for the purpose of

improving navigation and creating power, to construct, maintain and operate for a period of 99 years for navigation, water power, and other purposes, a dam or dams, with a bridge or bridges and approaches and a lock or locks and canal or canals, in that portion of the St. Lawrence River lying south of the international boundary line near Long Sault, Barnhart, and Sheek Islands, a few miles east of the town of Massena, St. Lawrence County, N.Y., either independently or in connection with like works now erected or to be erected in so much of said river as lies north of the international boundary line.

The act provides that such work shall be constructed, maintained, modified, or removed in all respects subject to and in accordance with the general dam act approved June 23, 1910, and the general bridge act, approved March 23, 1906.

The St. Lawrence River where the work is to be done is a boundary river between he United States and Canada. Therefore the bill makes the Long Sault Development Co., its successors and assigns, subject to the provisions of the treaty between the United States and Great Britain relative to boundary waters between the United States and the Dominion of Canada. It is believed to be probable that under the terms of that treaty the consent and approval of the International Waterways Commission, provided for therein, will have to be obtained before the work can begin. In addition the work to be carried on is a very large one. For these reasons it has been provided that the company may have two years to begin the work and 15 years to complete it.

The bill further provides that should the Long Sault Development Co. or any other company or companies acting in concert with it extend its works beyond the international boundary line into Canadian waters, which would practically involve damming the whole river, that in such case at least one-half of the power developed by the completed works shall be delivered in the United States when needed.

It is believed by your committee that the interests of navigation and that of the Government and people of the United States are completely safeguarded by the provisions of the general dam act, the general bridge act, and by the third proviso of section 1, together with sections 6 and 6 of the pending bill. This question will be discussed more at length later in this report.

II. THE LEGISLATION OF THE STATE OF NEW YORK.

The Long Sault Development Co. owes its origin to an act of the Legislature of the State of New York, passed by a two-thirds vote, which received the approval of Gov. Charles E. Hughes. The act created the Long Sault Development Co. as a corporation with the usual powers of corporations, and in addition granted it the right to build works in the St. Lawrence River near Long Sault Island, or Barnhart Island, "but not north of the international boundary line, unless consented to by the Dominion of Canada," for the purpose of improving navigation and creating a water power and generating electrical power therefrom. This act fully recognized the jurisdiction of Congress over the question of navigation in the St. Lawrence River. The bill in its original form did not provide for any compensation to the State of New York for the rights granted in the St. Lawrence River. This was not satisfactory to Gov. Hughes, and at his suggestion the bill was recalled by the Legislature and the matter of compensation to the State was then thoroughly canvassed by the governor with the aid of Mr. Frederick Stevens, superintendent of public works of the State of New York, and the engineer and surveyor of that State upon

one side, and the president of the Long Sault Development Co. and Mr. John R. Freeman, a distinguished engineer, upon the other side. These investigations were carried on through a period of several weeks, when a conclusion was reached by the governor as to the compensation which ought to be charged the Long Sault Development Co. for the privileges created. His views upon the subject were known to the Legislature and the bill was amended in accordance therewith, passed, and received his approval and became a law May 23, 1907.

It provides for the deeding by the State to the Long Sault Development Co. of the bed of the St. Lawrence River at the points designated for which it was to be paid the sum of $10,000. All portions of the river bed not actually used by the said company for the building of its works are to revert to the State of New York. In addition said company to pay the State of New York for the year 1910, the sum of $15,000, for 1911 the sum of $20,000, and for each year thereafter upon the amount of power generated during each year up to 25,000 electrical horsepower at the rate of 75 cents per horsepower on all amounts in excess of 25,000 and up to 100,000 horsepower at the rate of 50 cents per horsepower and upon all amounts in excess of 100,000 horsepower at the rate of 25 cents per horsepower; provided that in no year after 1911 shall the amount paid the State be less than $25,000. It was stated in the act that these payments were based upon the assumption that under this act, and subject to the lawful control of the United States Government, the Long Sault Development Co. might use all of the waters of the St. Lawrence River south of the International boundary line, and that in case said company should at any time be compelled to make any payment to the Dominion of Canada or the Province of Ontario for the use of such water (i.e., the water south of the international boundary line), an equitable adjustment of the amount of compensation to be paid to the State of New York should be made.

It was stated before your committee by witnesses, who were present at the negotiations with Gov. Hughes, that the reason why a lower rate of compensation was fixed for amounts in excess of 25,000 horsepower up to 100,000 horsepower, than for amounts below 25,000 horsepower, and a still lower rate for amounts in excess of 100,000 horsepower, was that the locality where this power was to be developed was a remote one, far distant from cities of large population, and that the industries to consume this power would have to be attracted to the spot by favourable terms. That it would be easy to dispose of a certain amount of this power, possibly up to 100,000 horsepower, but that in excess of that amount it would be difficult to find users, and that it was therefore wise to make lower terms for it.

The Long Sault Development Co. upon receiving the charter from the State of New York began preparation for exercising its rights thereunder, and has already expended about one and three-fourths million of dollars in the purchase of properties and preparation for developing water power in the St. Lawrence River on a comprehensive plan.

III. THE RIGHTS OF THE STATE OF NEW YORK.

It will be observed that this legislation of the State of New York is based upon the proposition that the State of New York owns the bed of the stream south of the international boundary line and is entitled to use the waters for water power, subject of course to the control of Congress for navigation purposes, and has the power to convey such rights to third parties. Your Committee gave very careful consideration to this question. Without entering into

an elaborate discussion of these legal questions it will be sufficient to state that both propositions seem to be firmly established not only by the decisions of the courts of the State of New York, but by the courts of the United States as well.

Among the cases holding that the State of New York is the owner of the bed of the stream of navigable rivers within its boundaries are the following:

Fulton Light Co. *v.* State of N. Y. (65 Misc. N. Y., 263.)
Niagara Irrigation Co. *v.* College Heights Co. (111 App. Div., 770).
Pipe Line *v.* N. Y. & Lake Erie R. R. Co. (10 Abb. New Cas., 107).
In Matter of State Reservation (37 Hun., 537).
Canal Appraisers *v.* Tibbets (17 Wend., 570).
People *v.* Gillette (11 N. Y., Supp., 461).
Thousand Island Steamboat Co. *v.* Visger (179 N. Y., 206).
Barney *v.* Keokuk (94 U. S., 324).
Illinois Central R. R. Co. *v.* Illinois (146 U. S., 387).
Shively *v.* Bowlby (152 U. S., 1).
Scranton *v.* Wheeler (57 Fed. Rep., 803).
Packer *v.* Bird (137 U. S., 661).
Pollard's Lessee *v.* Hagan (3 Howard, 212).
Martin *v.* Waddel (16 Peters, 367).
Good Title *v.* Kibbe (9 Howard, 471).
United States *v.* Chandler-Dunbar Co. (200 U. S., 447).
Rumsey *v.* N. Y. & N. E. R. R. Co. (63 Hun., 200).

In Barney *v.* Keokuk (94 U. S., 338) the court says that there is "no sound reason for adhering to the old rule as to the proprietorship of the beds and shores of such (i.e., navigable) waters. It properly belongs to the States by their inherent sovereignty, and the United States has wisely abstained from extending (if it could extend) its survey and grants beyond the limits of high water."

In Pollard's Lessee *v.* Hagan (3 Howard, 212) the United States had attempted by patent to convey the bed of the Alabama River and the Supreme Court held the patent void because the United States by its acquisition of Alabama, through treaty with Spain, had never acquired any title to soil under the navigable rivers and none had been conferred by the Constitution of the United States.

In Scranton *v.* Wheeler (57 Fed. Rep., 803) Justice Lurton, now one of the justices of the Supreme Court of the United States, said at page 810:

The doctrine that the title to the submerged lands within the banks of navigable rivers belongs to the States respectively within which such rivers are situate and not the United States was settled at an early date and has never been questioned.

In 1905 Gen. Mackenzie, Chief of Engineers, made a report to the Secretary of War, Mr. Taft, upon a bill then pending in Congress, in which he said:

The Federal Government has no possessory title to the water flowing in navigable streams, nor to the land comprising their beds and shores, and hence Congress can grant no absolute authority to anyone to use and occupy such water and land for manufacturing and industrial purposes. The establishment, regulation, and control of manufacturing and industrial enterprises, as well as other matters pertaining to the comfort, convenience, and prosperity of the

people, come within the powers of the States, and the Supreme Court of the United States holds that the authority of a State over navigable waters within its borders, and the shores and beds thereof, is plenary, subject only to such action as Congress may take in the execution of its powers under the Constitution to regulate commerce among the several States.

The Secretary of War, William H. Taft, adopted the report of Gen. Mackenzie and stated that it was "comprehensive, accurate, and instructive." Subsequently, in 1907, a hearing was held before Mr. Taft, still Secretary of War, in relation to the water power of the Des Plaines and Illinois Rivers. It appeared that the Des Plaines River was probably not a navigable stream. But the Secretary of War, in deciding the application, said:

But even if it had been a navigable stream, and even if the application had been made, and properly made to this department, to say whether this would interfere with navigation if the department concluded it would not interfere with navigation, then it is not within the power of the department to withhold its expressing such an opinion and granting such a permit, so far as the United States is concerned, for the purpose of aiding the State in controlling the water power. If the State has any control over the water power, which it may exercise in conflict with the claimed rights of the riparian owner, then it must exercise it itself, through its own legislation and through its own executive officers. All the United States does, assuming it to be a navigable stream, is merely to protect the navigation of the stream. With reference to the water power, it has no function except in respect to water power which it itself creates by its own investment in property that it itself owns; and then, of course, it may say how that water power shall be used.

But with respect to the water power on a navigable stream, which may be exercised without interference with the use of the river for navigation purposes, that is controlled by the laws of the State. It is controlled by the riparian ownership and by the common law as it governs those rights. Therefore, I do not see, with reference to this matter, that this department has any function to perform or which it can perform.

The above are but a few of the authorities which may be quoted to the same effect. Your committee has been unable to find a single judicial opinion to the contrary.

It will be observed that several of the above cases relate to the Niagara River and one to he St. Mary's River, both of which are boundary streams between the United States and Canada, and no distinction is made as to the ownership of submerged lands in boundary and in other navigable rivers which are entirely within a State. The conclusion of your committee is therefore that the ownership of the State of New York of the submerged lands under the St. Lawrence River, south of the international boundary line, is too firmly established by a long and unvarying line of precedents to be now seriously questioned.

To the proposition that the State being the owner of the submerged lands may develop water power therein and transfer such right to a third party, the following cases may be quoted:

Thousand Island Steamboat Co. *v.* Visger (179 N. Y., 206).
Langdon *v.* Mayor (93 N. Y., 129).
People *v.* N. Y. & Staten Island Ferry Co. (68 N. Y., 71).

Hoboken *v.* Penn. R. R. Co. (124 U. S., 656).
Huse *v.* Glover (15 Fed., 292; S. C. 119 U. S., 543).
Navigation Co. *v.* United States (148 U. S., 312).
Sands *v.* Manistee River Improvement Co. (123 U. S., 288).
Green Bay & Miss. Canal Co. *v.* Patten Paper Co. (172 U. S., 58).
Kaukaua Water Power Co. *v.* G. B. & Miss. Canal Co. (142 U. S., 254).
People *v.* Tibbets (19 N. Y., 523).

In People *v.* Tibbets, the court says:

It is beyond dispute that the State is the absolute owner of the navigable rivers within its borders, and that as such owner it can dispose of them to the exclusion of the riparian owners. In this case the State executed its power of disposition in making the lease, and consequently such lease is valid.

In Hoboken *v.* Pennsylvania Railroad Co. (124 U. S., 656) Mr. Justice Matthews, expressing the opinion of the court, said (p. 691) that the State had the power to grant submerged lands of navigable waters to individuals and that "under these grants the land conveyed is held by the grantees on the same terms on which all other lands are held by private persons under absolute titles, and every previous right of the State of New Jersey therein, whether proprietary or sovereign, is transferred or extinguished, except such sovereign rights as the State may lawfully exercise over all other private property."

In Monongahela Navigation Co. *v.* United States (148 U. S., 312) it was held that a State might authorize a private company to construct a dam, or other work, in connection with the improvement of navigation, and might further authorize the company to exact tolls.

These cases are conclusive on the question of the right of the State of New York to grant the exclusive use of the waters in the St. Lawrence River, south of the international boundary line, to the Long Sault Development Co., subject, of course, to the control of Congress in the interest of navigation.

It appears clear, therefore, to your committee that the State of New York was at the time it created the Long Sault Development Co. the owner of the bed of the St. Lawrence River, south of the international boundary line, and had the right to use the waters therein for developing water power; that it had power to convey this right to a third party, and that it had done so through the act of its Legislature; that this action was not taken hurriedly or in the nighttime, but after due deliberation, with full knowledge of all the facts before it, and that its action received the approval of Gov. Hughes, than whom no official has ever been more alive to the duty of protecting the interests of all the people.

Believing, therefore, that the State having rights in the waters of the St. Lawrence River, and the United States having another right therein, in the interest of navigation, comity between the State and Nation, and fair dealing between trustees representing different intrsts in a common property, required that, if possible, the rights of both State and the Nation should be recognized and given full effect and that the power of the National Government should not, under the guise of protecting navigation, or from merely fanciful imaginary and indefinable fears of possible evils, be used to thwart the wishes of the State as expressed by its Legislature and executive, nor to destroy its property, but that an honest attempt should be made to reconcile the interests of both the State and the Nation, and so legislate that both might be benefited by the action taken, your committee has given its chief attention to the question of improving navigation in connection with the development of water power under

authority of the State of New York. It believes that these two objects may be pursued together, not only without detriment to either, but with mutual advantage to both.

IV. THE LOCUS IN QUO.

The St. Lawrence River, from Lake Ontario to its mouth, is navigable, except at a number of rapids up which boats can not go, and down which it is safe for very few boats to go. To provide for navigation at these points the Government of Canada has, at much expense, built canals upon the Canadian side of the river. One of these rapids occurs in the main channel of the river between Long Sault Island and Barnhart Island. It is known as the Sault Rapids. Long Sault Island is entirely in the territory of the United States. To the north of Long Sault Island is situated Sheek Island, entirely in Canadian territory, and to the south of Sheek Island and east of Long Sault Island is situated Barnhart Island, entirely in the territory of the United States. The distance from the western end of Long Sault Island to the eastern end of Barnhart Island is 11 miles. Long Sault Island divides the river into two channels, the main channel north of the island and the South Sault channel south of the island. About 20 per cent. of the waters of the river flow through the South Sault channel and 80 per cent. of the waters flow through the main or northern channel to the eastern end of Long Sault Island, where about 5 per cent. of the waters flow to the east through the Little Channel, so called, between Sheek and Barnhart Islands, through which the international boundary line runs, while the main channel through which 75 per cent. of all the river flows is diverted to the south and its waters pour over the Long Sault Rapids between Long Sault and Barnhart Islands. The head of water that can be obtained just below these rapids is 35 or 40 feet. The evidence before your committee showed that about 100,000 horsepower could be developed in the South Sault Channel alone by works situated south of the international boundary line, and that if works were extended through the main and little channels to the Canadian shore the amount could be increased to approximately 500,000 horsepower.

The accompanying map shows the location and the works as proposed by the Long Sault Development Co. It must be remembered, however, that those on the American side may be greatly modified by the Secretary of War and the Chief of Engineers, and that those on the Canadian side are subject to modifications or rejection by the Canadian authorities.

V. IMPROVEMENT OF NAVIGATION.

The South Sault Channel and the Little Channel in their present condition, are not navigable for boats of ordinary size. The main channel between Long Sault Island and Barnhart Island is not navigable for any boats going upstream, nor it is navigable for any freight boats going downstream. Practically the only navigation through that part of the river is provided by one passenger boat a day for three or four months each year. This boat draws but about six feet of water and passes down over the rapids, but can not ascend them. The excitement caused by the swirl of the water and the danger forms the chief attractions for this attempt. The real provision for navigation around the rapids is furnished by the Cornwall Canal, which opens from the main channel of the river north of Long Sault Island, passes into a little lake north of Sheek Island, passes through the lake, and proceeding thence along the north

bank of the river enters the main stream at Cornwall, some distance east of Barnhart Island.

There are six locks in this canal and the passage through it is very slow. It was stated to your committee by Mr. ——— Kennedy, a Canadian engineer of the highest standing, who represented the Harbour Commission of the City of Montreal, that the St. Lawrence canals were rapidly becoming obsolete and that the subject of canalizing the river must soon be considered in order to provide for larger boats and a greater amount of business. The proposed plan will provide for navigation in the river with but one lock and will be a very substantial improvement.

This bill provides that the general dam act shall apply to all works erected in the St. Lawrence River south of the international boundary line. It may be well, therefore, to examine some of the provisions of that wise act of legislation, reported by the Committee on Interstate and Foreign Commerce, intended to safeguard the interest of navigation. It provides that no work of the character contemplated by the pending bill can be begun in any navigable stream until complete plans therefor have been submitted to the Secretary of War and Chief of Engineers and have received their approval, and, further, that no deviation can be made therefrom without the consent of such officials. It provides that the Chief of Engineers and the Secretary of War in approving the plans and location for such works may impose such conditions and stipulations as they may deem necessary to protect the present and future interests of the United States, which may include the condition that the persons constructing or maintaining such dam shall construct, maintain, or operate without expense to the United States a lock or locks, boom, sluice, or any other structure which they or Congress at any time may deem necessary in the interest of navigation, and that the persons building such locks shall convey to the United States title to all land for such construction and approaches and furnish free water for operating the same.

It protects third parties by the provision that the parties who construct the works shall be liable for all damage caused to third parties by overflow or otherwise. It is provided further that in approving such plans the Chief of Engineers and the Secretary of War shall take into consideration the effect of such structure upon a comprehensive plan for the improvement of the waterway, and that they may fix such charges for the privilege granted as may be sufficient to restore conditions with respect to navigability as existing at the time said privilege is granted, or reimburse the United States for doing the same or for any expense it may incur in connection with such project. It provides further that all rights acquired shall cease if the party acquiring them shall fail after reasonable notice to comply with any of the provisions or regulations of the act, or with any of the stipulations and conditions that may be prescribed by the Chief of Engineers and Secretary of War, and reserves the right to revoke any right conferred under the act whenever it is necessary for public use, but in that event the United States is to pay reasonable compensation to the party injured. It further provides that on failure to comply with any lawful order of the Secretary of War and Chief of Engineers, such officers may cause the removal of all works as an obstruction to navigation, at the expense of the persons owning or controlling them; and the right is reserved to alter, amend, or repeal the act without incurring liability therefor to the owner or owners or any persons interested in such works. It will be seen that this act is most carefully drawn and drastic in its provisions, and that nearly every contingency which human wisdom can foresee has been provided for.

VI. INCREASED SAFEGUARDS OF NAVIGATION.

But your committee, in view of the great extent of the works contemplated at this point, of the great importance of the St. Lawrence River and of its international character, have not been content to rest on the general dam act alone but have added to its wise provisions. Your committee was not willing to leave entirely to the discretion of the Secretary of War and the Chief of Engineers the determination of the question as to what provision for navigation should be made at this point. The third proviso of section 1 of the pending bill provides that a survey shall be made under authority of the Secretary of War of that portion of the St. Lawrence River to be affected by such improvement, with a view to securing a navigable channel suitable for commerce up and down said river, from a point opposite the western end of Long Sault Island to a point opposite the eastern end of Barnhart Island, together with plans and specifications therefor and that all rights granted in said bill to the Long Sault Development Co. shall be conditioned on its improvement of said channel at its own expense in accordance with said plans and specifications, said channel to be completed simultaneously with said other works herein authorized. In other words, the Long Sault Development Co. as a condition for being permitted to carry out its project is required at its own expense to furnish a suitable channel for navigation up and down the river through the Long Sault Rapids.

That such a plan is entirely feasible was stated to your committee by such eminent engineers as Mr. Alfred Noble and Mr. John R. Freeman. It will require but one lock in place of the six locks of the Cornwall Canal. Instead of that narrow channel it will provide a channel not less than 600 feet in width. It will be of great and substantial improvement of navigation, and under the wise direction of the Chief of Engineers and the Secretary of War can easily be made to fit into a comprehensive scheme for the canalization of the whole river.

The bill also contains a provision which in the judgment of your committee amplifies and extends the power of the Chief of Engineers and the Secretary of War beyond that prescribed in the general dam act, in that it compels the Long Sault Development Co., its successors or assigns, to make at its own expense adequate provisions for the changing and increasing demands of commerce. Section 5 provides:

SEC. 5. That should the works hereby authorized be or become at any time in the opinion of the Secretary of War and the Chief of Engineers, inadequate to accommodate, or should they otherwise interfere with the navigation of that portion of the Saint Lawrence River affected thereby, said company, its successors or assigns, shall, under the supervision of the Secretary of War and the Chief of Engineers, make adequate provision for the accommodation of navigation; and should said company, its successors or assigns, fail so to do, the United States Government shall, under the supervision of the Secretary of War and the Chief of Engineers, do the work required to make such provision for navigation, and the expense of such work shall constitute a debt of said company, its successors or assigns, and a lien upon all its property.

And, finally, the right to alter, amend, or repeal the act is expressly reserved, and it is provided that the United States shall incur no liability because of the amendment, alteration, or repeal thereof.

To sum up, your committee believes that the proposed improvement when worked out under the wise supervision of the Secretary of War and the Chief

of Engineers, without any cost to the United States, will bring about a very substantial improvement of the navigation of the St. Lawrence River. That it will do away entirely with the dangers of the rapids and shorten by over from four to six hours the time consumed in the trip each way by the route through the Cornwall Canal and furnish a suitable channel for commerce entirely in American territory. At the same time and as incidental to navigation, the development of the water power under the authority of the State of New York will bring a considerable revenue to that State, utilize the natural resource that has heretofore run to waste, give employment to several thousand American workmen, and build up a prosperous manufacturing city in northern New York.

Copy.
Telegram.

OTTAWA, 7th February, 1911.

RIGHT HON. JAMES BRYCE,
British Embassy,
Washington, D.C.

Can you postpone further action being taken on Long Sault Rapids until end of this week. We are considering matter here, and as we have been very busy we require two or three days to work it out.

WILFRID LAURIER.

Copy.
Telegram.

WASHINGTON, D.C., Feb. 8, 1911.

SIR W. LAURIER,
Ottawa.

Your telegram last night Long Sault Rapids defeated in house yesterday bill similar terms before committee of senate stop. Am making inquiries regarding its prospects and will proceed in sense of your telegram.

BRYCE.

Copy.

LORD GREY TO MR. BRYCE.

OTTAWA, February 11th, 1911.

Without committing themselves to an approval of any portion of the scheme to authorize the Long Sault Development Company to dam the St. Lawrence or any part of it, my advisers desire you to call the attention of the proper authorities to the following: In view of the provisions of the Ashburton Treaty and of the recent treaty with regard to boundary waters, requiring that the waters of the St. Lawrence at the place where the proposed works are to be undertaken be kept equally free and open to the people of both countries, and in view also of the fact that the construction of the proposed works in the South Sault Channel (south of the Long Sault Island) may alter the level of the water on the Canadian side of the boundary, it should be provided that before the said works in the South Sault Channel shall be undertaken, the plans and specifications thereof shall be submitted to and approved by the International Joint Commission to be appointed under the Boundary Waters Treaty.

My advisers are of the opinion that there are objections of a serious character against obstructing the main channel of the St. Lawrence at the Sault both on the ground that such main channel has always been open to navigation, and because such obstruction would mar the scenic beauty of the River at this point, and would certainly alter the level of the water on the Canadian side of the boundary.

My advisers desire you to urge that the clauses in the Bill now before Congress relating to the above subjects, which provide for any works other than in the South Sault Channel, shall be entirely omitted from the Bill.

Copy.
Telegram.
Code.

FROM MR. BRYCE TO LORD GREY.

WASHINGTON, 13th Feb., 1911.

Sault Bill. Your Lordship's telegram communicated to Department of State yesterday. This evening Chairman of Committee of Senate sent following proposition suggested by promoters of Bill:

"Always provided that before any works are commenced in the channel "to the South of Long Sault Island, plan of them must be sanctioned by In- "ternational Joint Commission and always provided that further that any "work hereby authorized other than in the channel to the South of Long Sault "Island will not be commenced until suggested approval of proper authorities "of Dominion of Canada thereto has been obtained."

Questioned, Chairman of Committee says that this is only concession promoters ready to make as yet, with exception of perhaps decrease of time from 99 years to 65 years. He will be glad if you could reply as soon as possible: question will be decided by Wednesday afternoon. It is probable that promoters bills on in Senate are stronger than in House of Representatives in which they are being threatened with serious opposition.

(Sgd.) BRYCE.

Copy.
Telegram.

LORD GREY TO MR. BRYCE.

OTTAWA, 15th February, 1911.

Suggested amendment would considerably improve Bill as it now stands, but my Ministers still adhere to the position taken by them in my last telegram.

(Sgd.) GREY.

No. 31.

BRITISH EMBASSY,
WASHINGTON, February 21, 1911.

MY LORD,—

I have the honour to forward herewith copies of the Long Sault Dam Bill, as reported by the Senate Committee on Commerce. The Report of the Committee will follow as soon as received.

The amendments introduced are shown in italics.

I have the honour to be, My Lord,
Your Excellency's most obedient,
humble servant,
(Sgd.) BRYCE.

P.S.—Since writing the above I have received the Report of the Committee and enclose copies herewith.

His Excellency
The Right Honourable
The Earl Grey, G.C.M.G.,
etc., etc., etc.,
The Governor General.

[SECOND COMMITTEE PRINT.]

61st Congress. S. 10558.
3rd Session.

IN THE SENATE OF THE UNITED STATES.

January 30, 1911.

MR. OLIVER introduced the following bill; which was read twice and referred to the Committee on Commerce.

February 20, 1911.

Reported by Mr. Burton, with amendments.
[Omit the part struck through and insert the part printed in italic.]

A BILL

To provide for the improvement of navigation in the Saint Lawrence River and for the construction of dams, locks, canals, and other appurtenant structures therein at and near Long Sault, Barnhart, and Sheek Islands.

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

That the Long Sault Development Company, a corporation organized under a law of the State of New York, entitled "An act to incorporate the Long Sault Development Company, and to authorize said company to construct and maintain dams, canals, power houses, and locks at or near Long Sault Island, for the purpose of improving the navigation of the Saint Lawrence River and developing power from the waters thereof, and to construct and maintain a bridge, and carry on the manufacture of commodities," which became effective May twenty-third, nineteen hundred and seven, its successors and assigns, be, and they hereby are, authorized to construct, maintain, and operate for navigation, water power, and other purposes for a period of ninety nine years *ter-*

minating fifty years after the expiration of the time allotted by this Act for the completion of the works hereby authorized, a dam or dams in so much of the Saint Lawrence River as lies south of the international boundary line between the United States of America and the Dominion of Canada, near Long Sault, Barnhart, and Sheek Islands, either independently or in connection with like works now erected or to be erected in so much of said river as lies north of said international boundary line, with a bridge or bridges and approaches thereto, and a lock or locks, a canal or canals, and other structures appurtenant thereto: *Provided*, That such dam or dams, lock or locks, canal or canals, and other structures appurtenant thereto, except as herein otherwise provided, shall be constructed, maintained, operated, modified, or removed in all respects subject to and in accordance with the provisions of the Act entitled "An Act to amend an Act entitled 'An Act to regulate the construction of dams across navigable waters.'" approved June twenty-third, nineteen hundred and ten: *Provided further*, That such bridge or bridges and approaches thereto, except as herein otherwise provided, shall be constructed, maintained, operated, modified, or removed in all respects subject to and in accordance with the provisions of the Act entitled "An Act to regulate the construction of bridges over navigable waters," approved March twenty-third, nineteen hundred and six: *And provided further*, That the Secretary of War shall cause a survey of that portion of the Saint Lawrence River to be affected by said improvements to be made with a view to securing a navigable channel, suitable for commerce up and down said river, from a point opposite the western end of Croil Island to a point opposite the eastern end of Barnhart Island, together with plans and specifications therefor, and all rights herein granted to the Long Sault Development Company shall be conditional on its improvement of said channel at its own expense, *including such dam or dams, lock or locks, and appurtenances thereto as may be necessary for navigation as herein provided*, in accordance with said plans and specifications, said channel to be completed simultaneously with the other works herein authorized, all expenses connected with such survey and the preparation of such plans and specifications to be paid by the said company, its successors or assigns.

SEC. 2. That said Long Sault Davelopment Company, its successors and assigns, shall be subject to the provisions of the treaty between the United States and Great Britain relative to the boundary waters between the United States and Canada, proclaimed by the President of the United States on the thirteenth day of May, nineteen hundred and ten. *Before any works are commenced in the channel south of Long Sault Island the plans thereof must be approved by the International Joint Commission, to be appointed in accordance with the terms of said treaty, or by such other tribunal as may be agreed upon by the respective Governments interested in said waterway; but any works herein authorized, other than in the channel south of Long Sault Island, shall not be commenced until after the approval of the proper authorities of the Dominion of Canada thereto has been obtained.*

SEC. 3. *That the actual construction of the work hereby authorized shall be commenced within two years and shall be prosecuted diligently and continuously to completion to the satisfaction of the Secretary of War, and the works in the channel south of Long Sault Island shall be completed within six years from the date of the passage of this Act, and all of such work shall be completed within fifteen years from the date of passage of this Act; and in case of failure to comply with the conditions of this section this Act shall be void, and the rights hereby conferred shall cease and be determined: Provided, That the time of completion shall apply only to dams, locks, and other works*

necessary to or constituting an improvement of navigation, and which works shall have been approved by the proper authorities.

SEC. 4. That if said Long Sault Development Company, or any other company or companies acting with it in such development, shall develop power by the construction of works a part of which shall be located north of the international boundary line, at least one-half of the power generated shall be delivered in the United States: *Provided,* That when in the opinion of the Secretary of War and the Chief of Engineers use can not be found in the United States for the full share thus assigned to this country the surplus may be temporarily diverted to Canada, but shall be returned to the United States when in the opinion of said officers it is needed: *Provided further,* That nothing herein contained shall be construed to prevent the importation from Canada of the whole or any part of the power generated from any of the said works in the Saint Lawrence River. *It is understood, and this Act is enacted on the express condition, that the State of New York shall have authority to fix from time to time reasonable charges for power to be furnished by the said Long Sault Development Company, and to regulate the service for the electric current to be produced by it, and that the same shall be furnished to all proposed consumers who apply in good faith to purchase the same and without unfair discrimination as to service and charge.*

SEC. 5. That should the works hereby authorized be or become at any time, in the opinion of the Secretary of War and the Chief of Engineers, inadequate to accommodate, or an interference with, the navigation of that portion of the Saint Lawrence River affected thereby, said company, its successors or assigns, shall, under the supervision of the Secretary of War and the Chief of Engineers, make adequate provision for the accommodation of navigation; and should said company, its successors or assigns, fail so to do, the United States Government shall, under the supervision of the Secretary of War and the Chief of Engineers, do anything required to make such provision for navigation, and the expense thereof shall constitute a debt of said company, its successors or assigns, and a lien upon all its property. *And should said company, its successors or assigns, fail to maintain or operate its dam or dams, lock or locks, with such appurtenances thereto as may be necessary for navigation, the United States Government may, under the supervision of the Secretary of War and the Chief of Engineers, assume jurisdiction and control over the maintenance and operation thereof, and in case the said company or its successors or assigns shall discontinue the use of the said dam or dams and works necessary for navigation connected therewith, or their ownership thereof shall terminate for any cause, or upon the expiration of the period of authorization granted by this Act, then the sole ownership therein, together with the necessary land and approaches appurtenant thereto, shall vest in the United States so far as the same may be located within the territory of the United States. It is hereby declared to be the intention of this Act to impose upon the company to which the authorization is herein granted, its successors and assigns, the maintenance of the channel or channels of the Saint Lawrence River herein described in a form and to a degree of efficiency sufficient for the present and future demands of navigation, and any works herein authorized which are aids to navigation shall be by the said company, its successors or assigns, maintained for that purpose for and during the life of the authorization hereby granted, and the same shall be in suitable condition at the termination of this authorization for permanent use. The Secretary of War and Chief of Engineers are instructed and directed to enforce this provision and any and*

all provisions of this Act intended for the maintenance and promotion of navigation.

SEC. 6. That the Long Sault Development Company shall execute a bond obligatory on itself, its successors and assigns, with good and solvent sureties in the sum of five hundred thousand dollars, payable to the United States, for the use and benefit of the riparian and other landowners in and along the Saint Lawrence River, conditioned to pay all damages that may accrue to them, or any of them, by reason of overflow, ice jams, and other causes produced by the erection or maintenance of said dam or dams, and the work of construction shall not commence until said bond is executed and approved by the Secretary of War and deposited in the War Department.

SEC. 7. That the right to alter, amend, or repeal this Act is hereby expressly reserved, and the United States shall incur no liability because of the alteration, amendment, or repeal thereof.

61st Congress. Report
3rd Session. No. 1203.

SENATE.

IMPROVEMENT OF THE ST. LAWRENCE RIVER.

February 20, 1911.—Ordered to be printed, with illustration.

MR. BURTON, of Ohio, from the Committee on Commerce, submitted the following

REPORT.

[To accompany S. 10558.]

The majority of the Committee on Commerce, to which was referred the bill (S. 10558) to provide for the improvement of navigation in the St. Lawrence River and for the construction of dams, locks, canals, and other appurtenant structures therein at and near Long Sault, Barnhart, and Sheek Islands, report the same to the Senate and recommend that the same do pass when amended as set forth herein.

By reason of the brief time remaining for the transaction of business during the present session and the opposition which has developed from various sources it is doubtful whether this bill can become a law. But in view of the elaborate attention which the committee has given to it, and the importance of certain principles which it is believed should be adopted in the passage of measures where water power and navigation are combined, the committee desires to explain this bill and set forth certain views relating to it.

The bill as introduced grants to the Long Sault Development Co., a corporation organized under the laws of the State of New York, the right to construct a dam or dams in so much of the St. Lawrence River as lies south of the international boundary line between the United States and the Dominion of Canada near Long Sault, Barnhart, or Sheek Islands, either independently or in connection with like works now erected or to be erected in that portion of the St. Lawrence River which lies north of the international boundary line, with a bridge or bridges and approaches thereto, and a lock or locks, a canal or canals, and other structures appurtenant thereto. The bill grants an author-

ization—subject to the general dam act approved June 23, 1910, and to the general act relating to the construction of bridges, approved March 23, 1906. It provides that the Secretary of War shall cause a survey of that portion of the St. Lawrence River to be affected by the improvements with a view to securing a navigable channel suitable for commerce up and down the said river from a point opposite the western end of Croil Island to a point opposite the eastern end of Barnhart Island, a distance of about 11 miles, together with plans and specifications therefor, and the rights herein granted are made conditional on the improvement of said channel by the company at its own expense in accordance with the plans and specifications made by the Secretary of War. (See sec. 1.)

Section 5 of the bill, as originally drawn, declares that if at any time the works authorized shall, in the opinion of the Secretary of War and Chief of Engineers, be inadequate to accommodate navigatin or an interferenee therewith, the company shall make adequate provision for the accommodation of navigation under the supervision of the Secretary of War and the Chief of Engineers, and if they should fail to do so the United States Government may, under the supervision of the Secretary of War and the Chief of Engineers, do anything required to make such provision for navigation, and the expense therefor sa hlelonstitute a debt of said company, its successors or assigns, and a lien upon all its property.

The bill as originally introduced seems to recognize the necessity for the concurrent action of the Canadian Government. It is stated in section 2 that the company shall be subject to the provisions of the treaty between the United States and Great Britain relative to the boundary waters between the United States and Canada, proclaimed May 13, 1910.

In section 4 there is a provision to the effect that one-half of the power generated shall be delivered in the United States. But if use can not be found in this country for the full share thus assigned to it, the surplus may be temporarily diverted to Canada. Also, that nothing in the bill shall be construed to prevent the importation from Canada of the whole or any part of the power generated from any of the said works in the St. Lawrence River.

Section 6 requires the execution of a bond in the sum of $500,000 for the use and benefit of the riparian and other landowners in and along the St. Lawrence River, conditioned to pay all damages that may accrue to them, or any of them, by reason of overflow, ice jams, and other causes produced by the erection or maintenance of said dam or dams.

The usual right to alter, amend, or repeal is carried in section 7.

In the authorization for the erection of works for the creation of water power it is conceded that the consent of the Canadian Government, that of the State of New York and of the United States must alike be obtained. The river is a boundary stream, and at this point there are four islands of considerable size, three of which are in the United States and one in Canada. There are rapids in the river sufficient to preclude upstream navigation, but the channel is utilized in some degree by steamers going downstream, especially by the passenger boats of the Richelieu & Ontario Navigation Co.

The total quantity of horsepower which can be developed in the respective channels of the river in this section has been estimated at not less than 500,000. It will be observed that the situation affords possibilities in the way of development of power surpassed in very few localities in the world. It is also regarded as desirable that this great asset be utilized for the benefit of the people of the two countries abutting upon the river. The members of the committee have

considered the problem of safeguarding the interests of navigation and the general public, especially with a view to utilizing water power, providing more perfect channels for navigation, and avoiding any monopoly or right of the corporation to impose burdensome charges.

The Legislature of the State of New York, by an act passed on the 23rd of May, 1907, granted to the Long Sault Development Co. a perpetual franchise, in which was conveyed the right to construct dams and the necessary appurtenances to develop and transmit power. The act does not in terms impose any obligation on the company to submit its charges for the service rendered to any public tribunal or to the Legislature of the State of New York.

The objects which should be secured are:

(1) The promotion of navigation. It is not only probable but reasonably certain that at no very remote date the St. Lawrence in this section will carry a very large amount of traffic. This is now provided for in a measure by a lateral canal, but for larger vessels and more convenient navigation it must be conceded that a channel in the main river would be essential. Such a channel is possible in the southerly arm of the river south of Long Sault and Barnhart Islands.

The bill makes the grant by the Federal Government conditional that the dams which are to be constructed for purposes of water power shall subserve navigation and provide for present and future needs of commerce.

In addition to the dams, the lessees must provide locks and the necessary appurtenances to dams and locks. Also they must take care of the channel south of Barnhart Island, below the proposed dam in the southerly arm of the river. It is represented that a channel not less than 30 feet in depth and 600 feet in width will be provided. The present depth available for boats from the Great Lakes down the St. Lawrence is only 14 feet, and the length of the boats for which the Welland Canal is available is limited to 250 feet.

The committee recommends certain amendments for the more perfect safeguarding of navigation by inserting on page 3, line 15, after the word "expressed," the words "including such dam or dams, lock or locks, and appurtenances thereto as may be necessary for navigation as herein provided." This insertion makes clearer the obligation of the company authorized to construct and maintain the locks and dams which are necessary.

The committee also recommends, again, by inserting on page 6, line 18, after the word "property," the following:

And should said company, its successors, or assigns, fail to maintain or operate its dam or dams, lock or locks, with such appurtenances thereto as may be necessary for navigation, in such a manner as to adequately provide for navigation, the United States Government may, under the supervision of the Secretary of War and the Chief of Engineers, assume jurisdiction and control over the maintenance and operation thereof, and in case the said company or its successors or assigns shall discontinue the use of the said dam or dams and works necessary for navigation connected therewith, or their ownership thereof shall terminate for any cause, or upon the expiration of the period of authorization granted by this act, then the sole ownership therein, together with the necessary land and approaches appurtenant thereto, shall vest in the United States so far as the same may be located within the territory of the United States.

It is hereby declared to be the intention of this act to impose upon the company to which the authorization is herein granted, its successors and assigns,

the maintenance of the channel or channels of the Saint Lawrence River herein described in a form and to a degree of efficiency sufficient for the present and future demands of navigation, and any works herein authorized which are aids to navigation shall be by the said company, its successors or assigns, maintained for that purpose for and during the life of the authorization hereby granted, and the same shall be in suitable condition for permanent use at the termination of this authorization. The Secretary of War and Chief of Engineers are instructed and directed to enforce this provision and any and all provisions of this act intended for the maintenance and promotion of navigation.

The members of the committee were not entirely agreed upon the insertion of the words "or upon the expiration of the period of authorization granted by this act."

The object of provisions and limitations imposed in such a grant is of course the proper security of navigation, and it has been argued in opposition to this provision that an affirmative clause requiring the surrender of the dams and locks at the expiration of the period of authorization would increase the expense of power given to consumers, because the company would find it necessary, in addition to the charge of operation and interest upon their investment, to accumulate a fund equal to the value of these dams or locks during the period for which the grant is given; also that the necessary requirements of navigation are secured if dams and locks are provided and maintained by the company utilizing the power created.

It is not the intention of the committee to seek to establish a precedent for the insertion of such a clause in future grants, but to make certain that whaever works in navigable streams are constructed for the creation of power shall be permanently available for purposes of navigation. The committee recommends that so far as possible in future grants for the creation of power a condition be attached that the grantee shall be obligated to construct and maintain dams and locks suitable for the navigation of the portion of the river which is utilized. The decision must rest in a degree upon the circumstances in each particular case. In some instances it is probable that such a requirement would be unduly severe, but in the case of a water power of enormous value like this it is clear that no rights should be granted except upon the express condition that a permanent improvement in navigation shall be made a condition of the grant, and that such improvement shall continue after the period fixed for the grant itself.

(2) The second object to be guarded in a bill of this kind is a reasonable limitation in the length of the franchise. In view of the probable increase in the use of water power and the very manifest increase in th dmand for it, togther with the danger of monopoly in the enjoyment of such grants, it is thought desirable to limit the period of authorization to 50 years, or a period of that approximate length. The bill as introduced provides for a period of 99 years and it is claimed that in this particular case the expense and difficulty are exceptional. It is maintained that the necessary works will eventually cost between $40,000,000 and $50,000,000. Again, that in the northerly portion or half of the river, seven to ten years will be required for the installation of dams, locks and appurtenances. The unusual time for completion is in a measure due to the comparatively short seasons in which work can be done in this locality. In view of these exceptional conditions, the committee thought best to allow the duration of the franchise to 15 years for completion. It is accordingly recommended that on page 2, line 5, the bill be amended by striking out the words "of ninety-nine years," the length of time provided in the bill, and

inserting in lieu thereof "terminating fifty years after the expiration of the time allotted by this act for the completion of the works hereby authorized." The time allowed for the completion of the work is 15 years, thus making a stated period of 65 years.

In the bill as presented to the Senate the period of 15 years is allowed for the creation of any and all structures contemplated. In the opinion of the committee the dam and appurtenant works for the southerly channel should be completed in less time. It is especially important that this part be completed at the earliest possible date, because the navigable channel is located here.

The committee accordingly recommends that in lieu of section 3, which grants 15 years for completion of the work, the following be inserted:

That the actual construction of the work hereby authorized shall be commenced within two years and shall be prosecuted diligently and continuously to completion to the satisfaction of the Secretary of War; and the works in the channel south of Long Sault Island shall be completed within six years the date of the passage of this act, and all of such work shall be completed within fifteen years from the date of passage of this act; and in case of failure to comply with the conditions of this section this act shall be void, and the rights hereby conferred shall cease and be determined: *Provided*, That the time of completion shall apply only to dams, locks, and other works necessary to or constituting an improvement of navigation, and which works shall have been approved by the proper authorities.

The clause at the close of this amendment, "That the time of completion shall apply only to dams, locks, and other works, etc.," which shall have been approved by the proper authorities, is made necessary by the fact that the Canadian Government has not yet authorized the construction of the works in the northerly portion of the river.

(3) The next object to be secured is the assurance that reasonable charges and service will be afforded by the company. With this object in view the committee recommends the insertion of the following on page 5, line 19, after the word "River":

It is understood, and this act is enacted on the express condition, that the State of New York shall have authority to fix from time to time reasonable charges for power to be furnished by the said Long Sault Development Company and to regulate the service for the electric current to be produced by it, and that the same shall be furnished to all proposed consumers who apply in good faith to purchase the same and without unfair discrimination as to service and charge.

In the granting of a franchise of so great magnitude it is altogether desirable to submit to some proper authority the regulation of charges and the service and to prevent unfair discrimination between the consumers of power. It is thought that this object is fully secured by the amendment above quoted.

A perplexing question arises in grants of this nature as to whether the control of prices should rest with the Federal Government or with the State in which the improvement is located. Without stating potent arguments for leaving control to the State in which the power is to be utilized, because of a beter understanding of the situation and the immediate control of a corporation which is of its own creation, it is thought that at least in this case the interests of the public will be carefully safeguarded by leaving this question to the State

of New York. The committee would especially recommend, however, that franchises for water power be not granted except upon terms which will secure fair charges and prevent monopolistic control and that jurisdiction be granted to State or national authority as shall prove most effective.

The members of the committee having this bill under consideration regard the three objects above stated as the most important in grants of water power in navigable streams. It is thought desirable to pursue a liberal policy in enabling companies and organizations to develop water power which is now running to waste and to impose no unreasonable restrictions, but at the same time to safeguard navigation, prevent monopoly or excessive charges, and render this enormous asset of the country's resources available for the largest possible number. It is recommended that before the right to develop water power in a navigable stream is granted, the effect of grant upon navigation shall be considered and that if necessary a complete survey be made of such section of the navigable stream as may be affected by the improvement, so that one harmonious plan for improvement may be accomplished. In this case these rapids constitute an obstacle which can be removed or properly treated under the provisions for examination and improvement under the direction of the Secretary of War and Chief of Engineers. There should also be provision that the terms of the grant may be complied with and in case of failure that it may be annulled by an official of the Government. In the opinion of the committee this is sufficiently guarded in the provisions of the bill at least with the addition of the amendments suggested.

Numerous propositions have been made for the imposing of a license fee or charge upon those who enjoy the privilege. In the case of this grant such a charge has been imposed by the Legislature of the State of New York in the grant of the franchise. One difficulty in the way of imposing such a charge arises from the concurrent or double jurisdiction of the State in which the improvement is located and that of the United States. It is further to be suggested that in case the Government of the United States desires to impose such a charge upon those who develop water power action can be taken in the way of an excise tax upon all water power, whether heretofore in use or hereafter to be granted. Such a tax would have in it the element of fairness in that there would be no discrimination between grants already made and those hereafter to be made. The committee would not recommend any considerable tax on this species of property, because the inevitable result would be to increase the cost of power to consumers.

There are one or two further questions presented by this bill, one of which is of a very important nature, because the river at the point in question is on the boundary line between the United States and Canada. The committee is of th opinion that, while reference is made to the treaty of 1910, the bill as originally introduced does not take into account treaty provisions and the common rights of the two countries. They therefore recommend the insertion on page 4, line 2, after the word "ten," the following:

Before any works are commenced in the channel south of Long Sault Island the plans thereof must be approved by the International Joint Commission, to be appointed in accordance with the terms of said treaty, or by such other tribunal as may be agreed upon by the respective governments interested in said waterway; but any works herein authorized, other than in the channel south of Long Sault Island, shall not be commenced until after the approval of the proper authorities of the Dominion of Canada thereto has been obtained.

It is thought that this provision, which clearly renders consent by the Canadian Government necessary before any construction can be commenced on either side of the river, secures a sufficient observance of the treaty rights as well as comity of action in the prosecution of this great work.

The attention of the committee has been called to the fact that some objection has been raised in the State of New York to the further prosecution of this improvment, the exact nature of which is unknown to the committee. It is to be observed that a franchise, giving full rights, has been granted by the State of New York without limit in time. The members of the committee would call attention to the provision giving the right to that State, whether existing under its present statutes or not, to regulate charges and service. The provisions of the bill are certainly as favorable to the State of New York as the franchise granted by its own Legislature by more than a two-thirds vote. Any objection to the adequacy of the provision for navigation made by the authorities of New York should be received with the utmost deference, and it is not probable that the bill will pass before such objections can be made. If promptly raised, no doubt due attention can be given to any request from the authorities of the State of New York. It should be observed, however, that so far as the definite action of the State heretofore taken is concerned, Congress, in passing this bill, would be merely affirming and strengthening action already taken by that Commonwealth.

In the opinion of the majority of the committee, this bill, when amended as proposed, marks a distinct advance in regulations for the grant of privileges for the utilization of water power in navigable streams. It is probable that in the future still further limitations and reservations will be regarded as desirable, but in no bill heretofore presented to Congress or passed by it has such complete provision been made for the paramount right of navigation and the utilization of great natural resources in accordance with the public interest. The majority of the committee therefore recommend that, when amended as herein set forth, the bill do pass.

RECAPITULATION OF PROPOSED AMENDMENTS.

Page 2, line 5, strike out the words "of ninety-nine years" and insert in lieu thereof the words: "terminating fifty years after the expiration of the time allotted by this act for the completion of the works hereby authorized."

Page 3, line 15, after the word "expense," insert the following: "including such dam or dams, lock or locks, and appurtenances thereto as may be necessary for navigation, as herein provided."

Page 4, line 2, after the word "ten," insert the following:

Before any works are commenced in the channel south of Long Sault Island the plans thereof must be approved by the International Joint Commission, to be appointed in accordance with the terms of said treaty, or by such other tribunal as may be agreed upon by the respective Governments interested in said waterway; but any works herein authorized, other than in the channel south of Long Sault Island, shall not be commenced until after the approval of the proper authorities of the Dominion of Canada thereto has been obtained.

In lieu of section 3 insert the following:

SEC. 3. That the actual construction of the work hereby authorized shall be commenced within two years and shall be prosecuted diligently and continuously to completion to the satisfaction of the Secretary of War; and the works in the channel south of Long Sault Island shall be completed within six years from the date of the passage of this act, and all of such work shall be completed within fifteen years from the date of passage of this act; and in case of failure to comply with the conditions of this section this act shall be void, and the rights hereby conferred shall cease and be determined: *Provided,* That the time of completion shall apply only to dams, locks, and other works necessary to or constituting an improvement of navigation, and which works shall have been approved by the proper authorities.

Page 5, line 19, after the word "River," insert the following:

It is understood, and this act is enacted on the express condition, that the State of New York shall have authority to fix from time to time reasonable charges for power to be furnished by the said Long Sault Development Company, and to regulate the service for the electric current to be produced by it, and that the same shall be furnished to all proposed consumers who apply in good faith to purchase the same and without unfair discrimination as to service and charge.

Page 6, line 18, after the word "property," insert the following:

And should said company, its successors or assigns, fail to maintain or operate its dam or dams, lock or locks, with such appurtenances thereto as may be necessary for navigation, in such a manner as to adequately provide for navigation, the United States Government may, under the supervision of the Secretary of War and the Chief of Engineers, assume jurisdiction and control over the maintenance and operation thereof, and in case the said company or its successors or assigns shall discontinue the use of the said dam or dams and works necessary for navigation connected therewith, or their ownership thereof shall terminate for any cause, or upon the expiration of the period of authorization granted by this act, then the sole ownership therein, together with the necessary land and approaches appurtenant thereto, shall vest in the United States so far as the same may be located within the territory of the United States. It is hereby declared to be the intention of this act to impose upon the company to which the authorization is herein granted, its successors and assigns, the maintenance of the channel or channels of the Saint Lawrence River herein described in a form and to a degree of efficiency sufficient for the present and future demands of navigation, and any works herein authorized which are aids to navigation shall be by the said company, its successors or assigns, maintained for that purpose for and and during the life of the authorization hereby granted, and the same shall be in suitable condition at the termination of this authorization for permanent use. The Secretary of War and Chief of Engineers are instructed and directed to enforce this provision and any and all provisions of this act intended for the maintenance and promotion of navigation.

A map of the locality in question is filed herewith.

See "Hansard" 12 February, 1908, and Return to House of Commons—(Sessional Papers No. 140 and 140a, 1907-08).

A. 1911

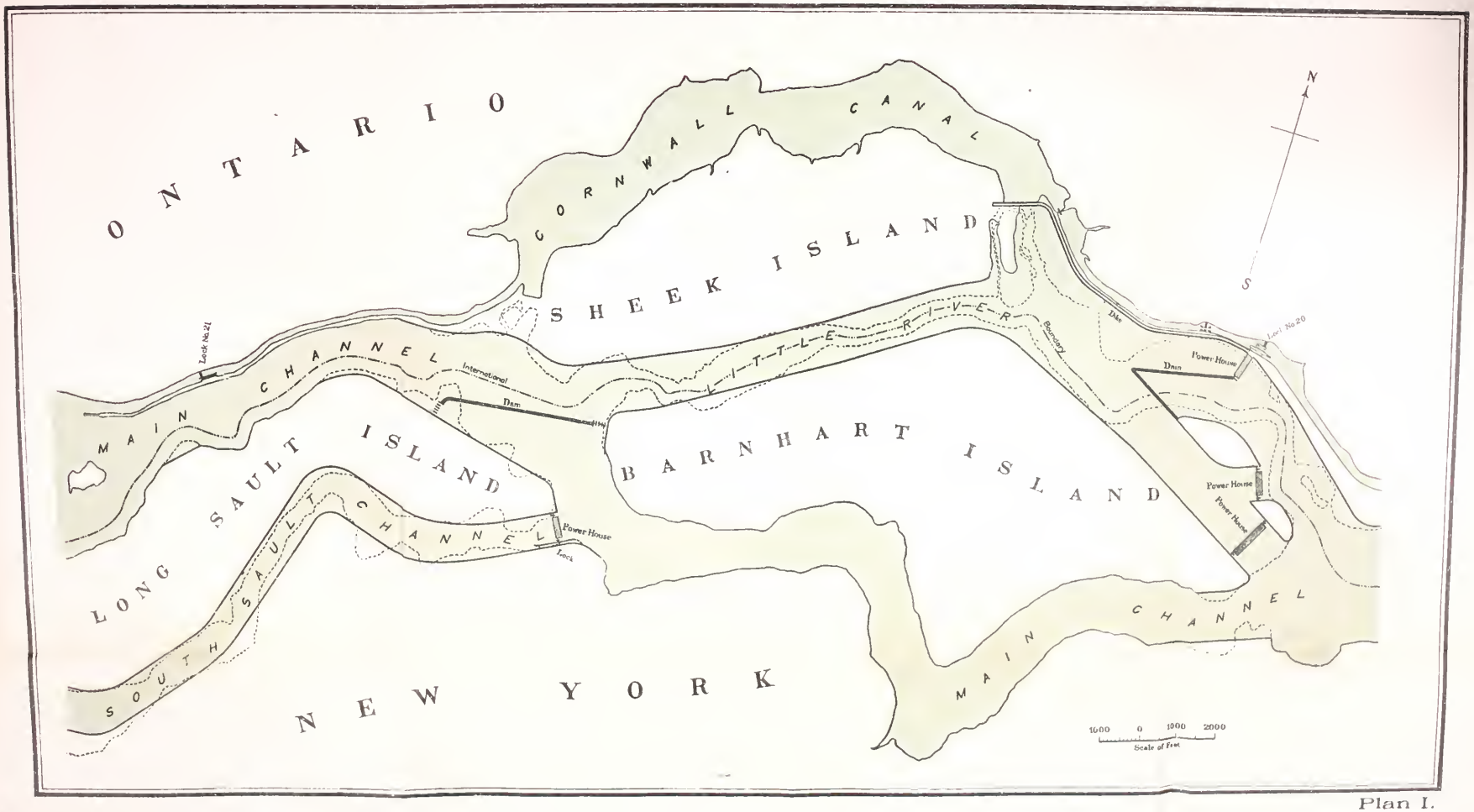
NCE

MAP SHOWING LOCATION OF

DAMS, CANALS AND POWER HOUSES

PROPOSED BY

ST. LAWRENCE POWER CO. LIMITED, AND LONG SAULT DEVELOPMENT CO.



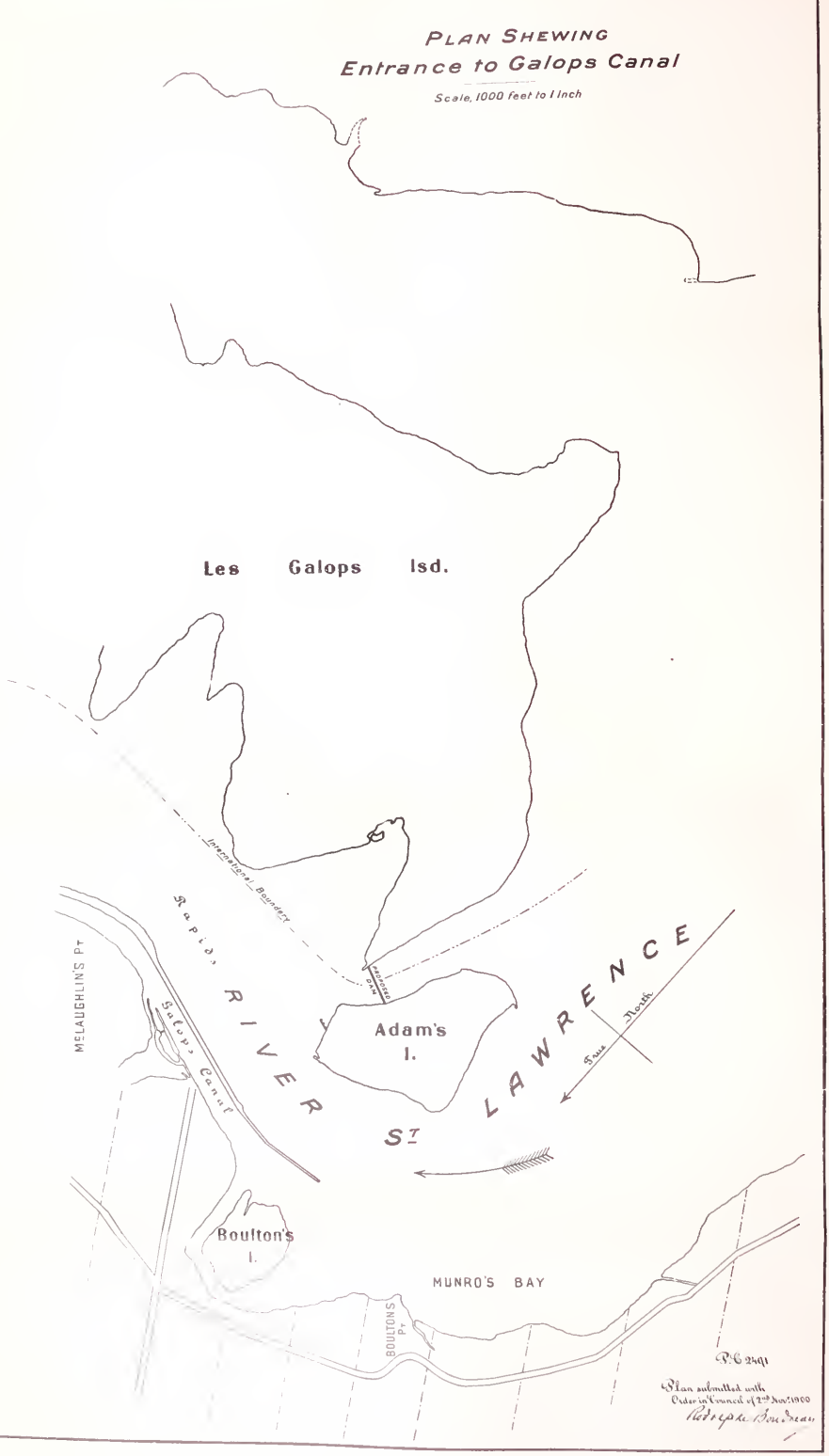
Plan I.

A. 1911

GS

RENCE

'S MOST


PLAN SHEWING
Entrance to Galops Canal
Scale, 1000 feet to 1 Inch
Les Galops Isd.
International Boundary
Rapids
RIVER
ST LAWRENCE
Galops Canal
McLAUGHLIN'S Pt
Adam's I.
Boulton's I.
MUNRO'S BAY
BOULTONS Pt
True North
P.C. 2491
Plan submitted with Order in Council of 12th Jan. 1900

A. 1911

NGS

RENCE

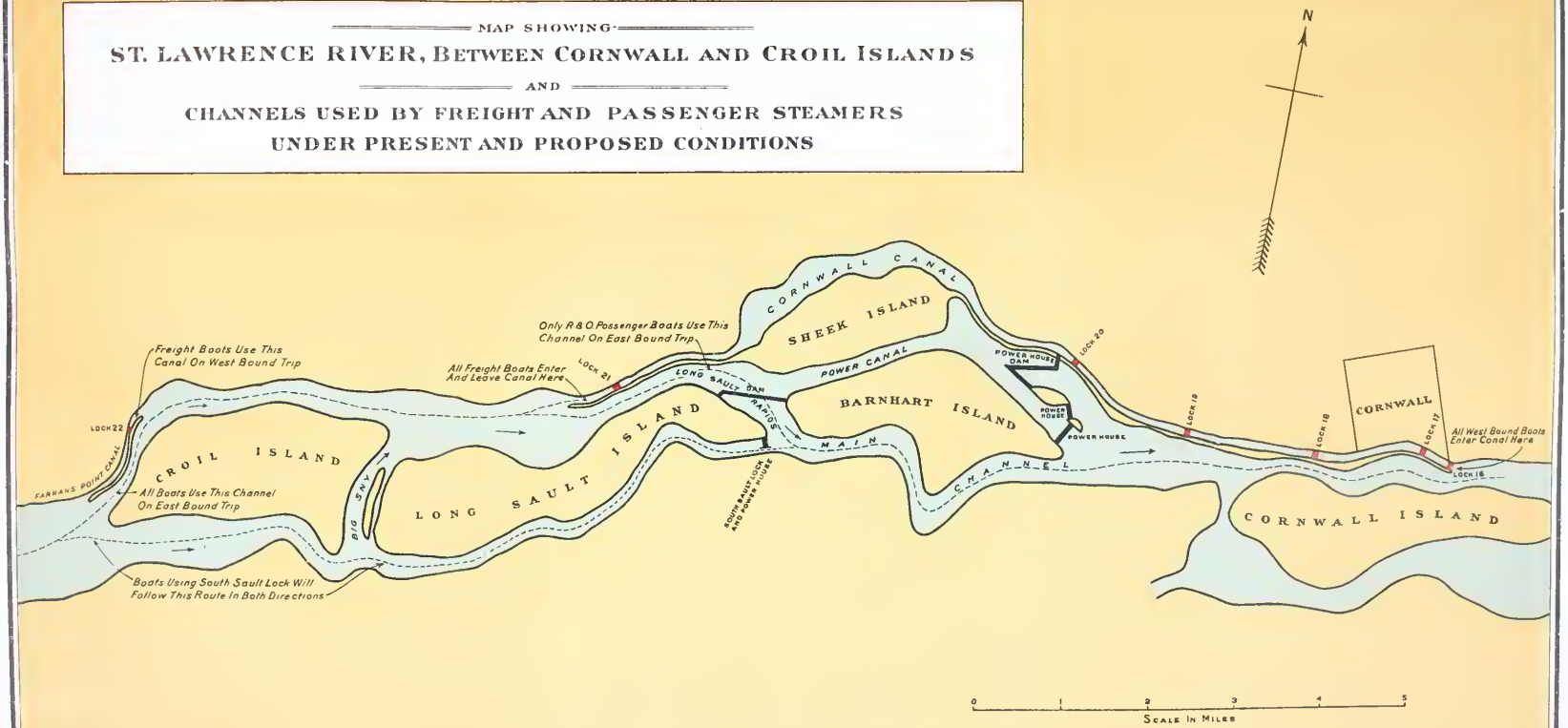
ING'S MOST

MAP SHOWING

ST. LAWRENCE RIVER, BETWEEN CORNWALL AND CROIL ISLANDS

AND

CHANNELS USED BY FREIGHT AND PASSENGER STEAMERS UNDER PRESENT AND PROPOSED CONDITIONS



MINUTES OF PROCEEDINGS

OF THE

IMPERIAL CONFERENCE

1911

PRINTED BY ORDER OF PARLIAMENT

OTTAWA
PRINTED BY C. H. PARMELEE, PRINTER TO THE KING'S MOST EXCELLENT MAJESTY
1911

[No. 208—1911.]

TABLE OF CONTENTS.

Date.	Subject.	Page.
May 23	Opening Meeting. Address by the President, and Replies of the Dominion Prime Ministers	23
	Address to the King	31
	Publicity of Proceedings	31
	Imperial Council	40
May 25	Imperial Council	50
	Organisation of the Colonial Office	80
June 1	Declaration of London	102
June 2	(*a*) Declaration of London	131
	(*b*) Commercial Relations and British Shipping	141
	(*c*) Navigation Law	150
	(*d*) Labour Exchange and Emigration	160
	(*e*) Enforcement of Arbitration Awards	168
	(*f*) Uniformity in Law of Copyright, Patents, Trade Marks, Companies	170
	(*g*) Coinage, Weights and Measures	173
	(*h*) International Exhibitions	177
June 8	Proposed Standing Committee of the Conference	181
	Interchange of Civil Servants	202
June 9	(*a*) Emigration	207
	(*b*) Reciprocal Legislation as to Destitute and Deserted Persons	215
June 12	(*a*) Imperial Court of Appeal	224
	(*b*) Law of Conspiracy	254
June 13	(*a*) Naturalization	259
	(*b*) Uniformity in Law of Accident Compensation	281
	(*c*) Undesirable Aliens	282
	(*d*) King's Birthday Celebration	284
June 15	(*a*) Cheapening of Cable Rates	291
	(*b*) Nationalization of Atlantic Cable	301
	(*c*) Wireless Telegraphy	317
	(*d*) Universal Penny Postage	325
	(*e*) Imperial Postal Orders	233
June 16	(*a*) Commercial Treaties	344
	(*b*) Co-operation in Commercial Relations and Appointment of Royal Commission	350
	(*c*) All-Red Mail Route	356
	(*d*) Income Tax and Estate Duty	369
	(*e*) Decimal Coinage	380
	(*f*) Shipping Conference and Rebates	384
June 19	(*a*) Position of British Indians in Dominions	407
	(*b*) Legislative Powers in respect of Merchant Shipping	407
	(*c*) Uniformity in Law of Alien Immigration and Exclusion	438
	(*d*) Enforcement of Judgments, Orders of Courts of Justice	438
	(*e*) Suez Canal Dues	439
June 20	(*a*) Publication of Proceedings and Papers	445
	(*b*) Reciprocal Visits and holding of a Conference in Dominions	446
	(*c*) Concluding Speeches	450

The Agenda for the Conference of 1911 will be found in [Cd. 5513].
The précis of the proceedings of the Conference is published in [C. 5741].
The preliminary correspondence will be found in [Cd. 5273] and papers in [Cd. 5746] and [Cd. 5746-2].

208—1½

AGENDA.

TUESDAY, MAY 23rd.—PLACE OF MEETING: FOREIGN OFFICE, 11 A.M.

OPENING ADDRESS AND REPLIES.
QUESTION OF PUBLICITY OF PROCEEDINGS.
QUESTION OF AGENDA AND DAYS FOR MEETINGS.
IMPERIAL COUNCIL.
ORGANISATION OF COLONIAL OFFICE.

Resolution of the Government of New Zealand:

(1) Publication of Proceedings.

That the Conference be open to the Press except when the subjects are confidential.

Resolution of the Government of New Zealand:

(2) Imperial Representation of Oversea Dominions with a View to furthering Imperial Sentiment, Solidarity, and Interest.

That the Empire has now reached a stage of Imperial development which renders it expedient that there should be an Imperial Council of State, with representatives from all the constituent parts of the Empire, whether self-governing or not, in theory and in fact advisory to the Imperial Government on all questions affecting the interests of His Majesty's Dominions oversea.

Resolution of the Government of New Zealand:

(3) Reconstitution of the Colonial Office, &c.

1. That it is essential that the Department of the Dominions be separated from that of the Crown Colonies, and that each Department be placed under a separate Permanent Under-Secretary.

2. That, in order to give due effect to modern Imperial development, it has now become advisable to change the title of Secretary of State for the Colonies to that of "Secretary of State for Imperial Affairs."

3. That the staff of the Secretariat be incorporated with the Dominions Department under the new Under-Secretary, and that all questions relating to the self-governing Dominions be referred to that Department: the High Commissioners to be informed of matters affecting the Dominions, with a view to their Governments expressing their opinion on the same.

4. That the High Commissioners be invited to attend meetings of the Committee of Defence when questions on Naval or Military Imperial defence affecting the oversea Dominions are under discussion.

5. That the High Commissioners be invited to consult with the Foreign Minister on matters of foreign industrial, commercial, and social affairs in which the oversea Dominions are interested, and inform their respective Governments.

6. That the High Commissioners should become the sole channel of communication between Imperial and Dominion Governments, Governors-General and Governors on all occasions being given identical and simultaneous information.

Resolution of the Government of the Union of South Africa:

(1) That it is desirable that all matters relating to self-governing Dominions, as well as permanent Secretariat of the Imperial Conference, be placed directly under the Prime Minister of the United Kingdom.

Papers:—[Cd. 3523] (Proceedings of Colonial Conference of 1907) and Memorandum as to publicity of proceedings (No. 1 in volume* of Memorandum).

THURSDAY, MAY 25th.—PLACE OF MEETING: FOREIGN OFFICE, 11 A.M.

IMPERIAL COUNCIL.
ORGANISATION OF COLONIAL OFFICE.
INTERCHANGE OF CIVIL SERVANTS.

Resolution of the Government of New Zealand:

(2) Imperial Representation of Oversea Dominions with a View to furthering Imperial Sentiment, Solidarity, and Interest.

That the Empire has now reached a stage of Imperial development which renders it expedient that there should be an Imperial Council of State, with representatives from all the self-governing parts of the Empire, in theory and in fact advisory to the Imperial Government on all questions affecting the interests of His Majesty's Dominions oversea.

Resolution of the Government of New Zealand:

(3) Reconstitution of the Colonial Office, &c.

1. That it is essential that the Department of the Dominions be separated from that of the Crown Colonies, and that each Department be placed under a separate Permanent Under-Secretary.

2. That, in order to give due effect to modern Imperial development, it has now become advisable to change the title of Secretary of State for the Colonies to that of "Secretary of State for Imperial Affairs."

3. That the staff of the Secretariat be incorporated with the Dominions Department under the new Under-Secretary, and that all questions relating to the self-governing Dominions be referred to that Department; the High Commissioners to be informed of matters affecting the Dominions, with a view to their Governments expressing their opinion on the same.

4. That the High Commissioners be invited to attend meetings of the Committee of Defence when questions on Naval or Military Imperial defence affecting the oversea Dominions are under discussion.

5. That the High Commissioners be invited to consult with the Foreign Minister on matters of foreign industrial, commercial, and social affairs in which the oversea Dominions are interested, and inform their respective Governments.

6. That the High Commissioners should become the sole channel of communication between Imperial and Dominion Governments, Governors-General, and Governors on all occasions—being given identical and simultaneous information.

* Note.—The papers contained in this volume of Memoranda are being published in a separate Parliamentary Paper, except such papers as have been treated as confidential.

Resolution of the Government of the Union of South Africa:

(1) That it is desirable that all matters relating to self-governing Dominions, as well as permanent Secretariat of the Imperial Conference, be placed directly under the Prime Minister of the United Kingdom.

Resolution of the Government of New Zealand:

4. Interchange of Civil Servants.

That it is in the interests of the Imperial Government, and also of the Governments of the oversea Dominions, that an interchange of selected officers of the respective Civil Services should take place from time to time, with a view to the acquirement of better knowledge for both services with regard to questions that may arise affecting the respective Governments.

Papers:—[Cd. 3523] (Proceedings of Colonial Conference of 1907) and Memorandum as to interchange of Civil Servants (No. 2 in volume of Memoranda).

THURSDAY, JUNE 1st.—PLACE OF MEETING: FOREIGN OFFICE, 11 A.M.

DECLARATION OF LONDON.

Resolution of the Government of the Commonwealth of Australia:

(6) Declaration of London.

That it is regretted that the Dominions were not consulted prior to the acceptance by the British delegates of the terms of the Declaration of London: that it is not desirable that Great Britain should adopt the inclusion in Article 24 of foodstuffs, in view of the fact that so large a part of the trade of the Empire is in those articles; that it is not desirable that Great Britain should adopt the provisions of Articles 48-54, permitting the destruction of neutral vessels.

Papers:—[Cd. 4554.] [Cd. 5418.] House of Lords Debates, 8 March, 9 March, 13 March, Memorandum (29) in volume of Conference Memoranda and Papers, two notes by Lord Desart circulated to Members May 26

FRIDAY, JUNE 2nd.—PLACE OF MEETING: FOREIGN OFFICE, 11 A.M.

COMMERCIAL RELATIONS.
COMMERCIAL RELATIONS AND BRITISH SHIPPING.
NAVIGATION LAW.

Resolutions of the Government of the Commonwealth of Australia:

1. Commercial Relations.

That this Conference, recognising the importance of promoting fuller development of commercial intercourse within the Empire, strongly urges that every effort should be made to bring about co-operation in commercial relations and matters of mutual interest.

2. Commercial Relations and British Shipping.

That it is advisable in the interests both of the United Kingdom and of the British Dominions beyond the seas that efforts in favour of British manufactured goods and British shipping should be supported as far as is practicable.

3. Navigation Law.

That it is desirable that the attention of the Governments of the United Kingdom and of the Colonies should be called to the present state of the navigation laws in the Empire and in other countries, with a view to secure uniformity of treatment to British shipping; to prevent unfair competition with British ships by foreign subsidised ships; to secure to British ships equal trading advantages with foreign ships; to secure the employment of British seamen on British ships; and to raise the status and improve the conditions of seamen employed on such ships.

Resolution of the Government of New Zealand:

13. Shipping.

That the self-governing oversea Dominions have now reached a stage of development when they should be entrusted with wider legislative powers in respect to British and foreign shipping.

Papers:—Memoranda (3) *a—e*, (4), and (5) in volume of Conference Memoranda.

Subjects which it is suggested might be referred for discussion to a Committee of the Conference:—Labour Exchanges, Enforcement of Arbitration Awards, Uniformity in Copyright, Patents and Trade Marks, and Company Law, Weights and Measures, International Exhibitions.

Resolution of the Government of the United Kingdom:

Labour Exchanges.

That the Governments of the various Dominions should consider, in concert with the Imperial Government, the possibility and the best method of utilising the machinery of the national system of Labour Exchanges established in the United Kingdom by the Labour Exchanges Act, 1909, in connection with the notification of vacancies for employment and applications of persons for employment as between the Dominions and the United Kingdom.

Resolution of the Government of the United Kingdom:

Enforcement of Arbitration Awards.

That the Imperial Government should consider, in concert with the Dominion Governments, whether, and to what extent and under what conditions, it is practicable and desirable to make mutual arrangements with a view to the enforcement in one part of the Empire of Commercial Arbitration Awards given in another part.

Resolution of the Government of New Zealand:

12. Uniformity of Laws.

That it is in the best interests of the Empire that there should be more uniformity throughout its centres and dependencies in the law of copyright, patents, trade marks, companies.

SESSIONAL PAPER No. 208

Resolution of the Government of the Commonwealth of Australia.

4. Uniformity of Company, Trade Mark, and Patent Law.

That it is desirable, so far as circumstances permit, to secure and maintain uniformity in the company, trade mark, and patent laws of the Empire.

Resolution of the Government of the Commonwealth of Australia:

10. Coinage and Measures.

That with a view to facilitating trade and commerce throughout the Empire the question of the advisableness of recommending a reform of the present units of weights, measures, and coins ought to engage the earnest attention of this Conference.

Resolution of the Government of the United Kingdom:

International Exhibitions.

That in view of the International Conference to be held at Berlin in 1912 with a view to the regulation of the conditions under which International Exhibitions should receive support, it is desirable that the Imperial and Dominion Governments shall consider the matter in conjunction so as to arrange, if possible, for concerted action upon this subject.

Papers:—Memoranda, despatches, and papers (6), (7), (8), (9), (10), (11), (12), (13), in volume of Conference Memoranda.

THURSDAY, JUNE 8th.—PLACE OF MEETING: FOREIGN OFFICE, 11 A.M.

PROPOSAL FOR STANDING COMMITTEE OF THE IMPERIAL CONFERENCE.
INTERCHANGE OF CIVIL SERVANTS.

Consideration of Memorandum by the Secretary of State for the Colonies on a Standing Committee of the Imperial Conference.

Resolution of the Government of New Zealand:

4. Interchange of Civil Servants:—

That it is in the interests of the Imperial Government,, and also of the Governments of the oversea Dominions, that an interchange of selected officers of the respective Civil Services should take place from time to time, with a view to the acquirement of better knowledge for both services with regard to questions that may arise affecting the respective Governments.

Papers:—[Cd. 3523] (Proceedings of Colonial Conference of 1907) and Memorandum as to interchange of Civil Servants (No. 2 in volume of Memoranda); Summary* of Discussion at Conference of 1907 and action taken; Mr. Harcourt's Memorandum* of 26th May, 1911.

---

* Published in separate Parliamentary Paper.

FRIDAY, JUNE 9th.—PLACE OF MEETING: FOREIGN OFFICE, 11 A.M.

EMIGRATION.
RECIPROCITY IN THE LAW AS TO DESTITUTE PERSONS.

Resolution of the Government of the Commonwealth of Australia:

(7) Emigration.

That the Resolution of the Conference of 1907, which was in the following terms, be re-affirmed:—

"That it is desirable to encourage British emigrants to proceed to British Colonies rather than foreign countries";

"That the Imperial Government be requested to co-operate with any Colonies desiring immigrants in assisting suitable persons to emigrate";

That the Secretary of State for the Colonies be requested to nominate representatives of the Dominions to the Committee of the Emigrants' Information Office.

Resolution of the Government of New Zealand:

(14) Reciprocity Destitute Persons Law.

That in order to relieve both wives and children and the poor relief burdens of the United Kingdom and her Dependencies, reciprocal provisions should be made throughout the constituent parts of the Empire with respect to destitute and deserted persons.

Papers:—Memorandum* by the President of the Local Government Board. Memorandum of the history and functions of the Emigrants' Information Office ([Cd. 3407], 1907). Memoranda, &c. numbered (17) in volume of Conference Memoranda.

MONDAY, JUNE 12th.—PLACE OF MEETING: FOREIGN OFFICE, 11 A.M.

IMPERIAL COURT OF APPEAL.
LAW OF CONSPIRACY.

Resolution of the Government of the Commonwealth of Australia:

(11) Imperial Court of Appeal.

That it is desirable that the judicial functions in regard to the Dominions now exercised by the Judicial Committee of the Privy Council should be vested in an Imperial Appeal Court, which should also be the final court of appeal for Great Britain and Ireland.

Resolution of the Government of New Zealand:

(11) Imperial Appeal Court.

That it has now become evident, considering the growth of population, the diversity of laws enacted, and the differing public policies affecting legal interpretation in His Majesty's oversea Dominions, that no Imperial Court of Appeal can be satisfactory which does not include judicial representatives of these oversea Dominions.

* Published in separate Parliamentary Paper.

SESSIONAL PAPER No. 208

Resolution of the Government of the Commonwealth of Australia:

(8) The Law of Conspiracy.

That the members of this Conference recommend to their respective Governments the desirableness of submitting measures to Parliament for the prevention of acts of conspiracy to defeat or evade the laws of any other part of the Empire; that the Imperial Government make similar representations to the Governments of India and the Crown Colonies.

Papers:—Memorandum No. 18 in volume of Conference Memoranda; Despatch from Governor-General of the Commonwealth, No. 19 in same volume.

TUESDAY, JUNE 13th.—PLACE OF MEETING: FOREIGN OFFICE, 11 A.M.

NATURALISATION.
UNIFORMITY IN ACCIDENT COMPENSATION LAW.
EXPULSION OF UNDESIRABLE ALIENS.

Resolution of the Government of the Commonwealth of Australia:

(5) Naturalisation.

That this Conference is in favour of the creation of a system which, while not limiting the right of a Dominion to legislate with regard to local naturalisation, will permit the issue to persons fulfilling prescribed conditions of certificates of naturalisation effective throughout the Empire, and refers to a subsidiary Conference the question of the best means to attain this end.

Resolution of the Government of New Zealand:

(12) Uniformity of Laws.

That it is in the best interests of the Empire that there should be more uniformity throughout its centres and dependencies in the law of.... Naturalisation.

Resolution of the Government of the Union of South Africa:

(5)

That is is desirable to review the principles underlying the draft Bill for Imperial Naturalisation before its details are discussed further.

Resolution of the Government of New Zealand:

(12) Uniformity of Laws.

"That it is in the best interests of the Empire that there should be more uniformity throughout its centres and dependencies in the laws of.... Accident Compensation."

Resolution of the Government of the United Kingdom:

That where aliens are deported under the law of any Dominion to a part of the United Kingdom it is desirable that some system should be devised whereby the Dominion may effectively co-operate in the measures necessary in the United Kingdom for the final disposition of such aliens.

Papers:—Report of Inter-departmental Committee and despatches as to Imperial Naturalisation (No. 20 in volume of Memoranda). Memorandum as to

Uniformity and Reciprocity in respect of Workmen's Compensation (No. 21 in volume). Memorandum as to Deportation of Undesirable Aliens from the Self-governing Dominions (No. 23 in volume).

THURSDAY, JUNE 15th.—PLACE OF MEETING: FOREIGN OFFICE, 11 A.M.

CHEAPENING OF CABLE RATES.
STATE-OWNED ATLANTIC CABLE.
STATE-OWNED TELEGRAPH LINE ACROSS CANADA.
STATE-OWNED BRITISH WIRELESS TELEGRAPH STATIONS.
UNIVERSAL PENNY POSTAGE.
IMPERIAL POSTAL ORDER SCHEME.

Resolution of the Government of New Zealand:

8. Cheapening of Cable Rates.

That in view of the social and commercial advantages which would result from increased facilities for intercommunication between her dependencies and Great Britain, it is desirable that all possible means be taken to secure a reduction in cable rates throughout the Empire.

Resolution of the Government of the Commonwealth of Australia:

9. Nationalization of the Atlantic Cable.

That this Conference strongly recommends the nationalization of the Atlantic cable in order to cheapen and render more effective telegraphic communication between Great Britain, Canada, Australia, and New Zealand by thus acquiring complete control of all the telegraphic and cable lines along the "all red route."

Resolution of the Government of New Zealand:

6. State-owned Atlantic Cable.

That in order to secure a measure of unity in the cable and telegraph services within the Empire, the scheme of telegraph cables be extended by the laying of a State-owned cable between England and Canada, and that the powers of the Pacific Cable Board be extended to enable the Board to lay and control such cable.

Resolutions of the Government of New Zealand:

7. State-owned Telegraph Lines across Canada.

That in order to facilitate the handling of the traffic, and to secure entire control over the route in which it is engaged, the powers of the Pacific Cable Board be extended to enable the Board to erect a land line across Canada.

9. Development of Telegraphic Communications within the Empire.

That the great importance of wireless telegraphy for social, commercial, and defensive purposes renders it desirable that the scheme of wireless telegraphy approved at the Conference held at Melbourne in December, 1909, be extended, as far as practicable, throughout the Empire, with the ultimate object of establishing a chain of British State-owned wireless stations, which, in emergency, would enable the Empire to be to a great extent independent of submarine cables.

5. Universal Penny Postage.

That in view of the social, political, and commercial advantages to accrue from a system of international penny postage, this Conference recommends to His

Majesty's Government the advisability of approaching the Governments of other States known to be favourable to the scheme, with a view to united action being taken at the next meeting of the Congress of the Universal Postal Union.

Resolution of the Government of the United Kingdom:

IMPERIAL POSTAL ORDER SCHEME.

That it is desirable to complete the Imperial Postal Order scheme by its extension to Australia and its full adoption by Canada, so that the Britsh Postal Order shall be obtainable and payable in all parts of the Empire, and thus afford a ready and economical means of remitting small sums, not only between the United Kingdom and other parts of the Empire, but between each part and every other.

Papers:—Memoranda* 24-28 in volume of Conference Memoranda.
Confidential Memorandum* as to Wireless Telegraphy.

FRIDAY, JUNE 16th.—PLACE OF MEETING: FOREIGN OFFICE, 11 A.M.

TREATIES.
COMMERCIAL RELATIONS.
COMMERCIAL RELATIONS AND BRITISH SHIPPING.
ALL-RED ROUTE.
TRADE AND POSTAL COMMUNICATIONS AND SHIPPING CONFERENCES.
DOUBLE INCOME TAX.
DOUBLE ESTATE DUTIES.
STAMP DUTY ON COLONIAL BONDS.
UNIFORMITY IN CURRENCY AND COINAGE LAWS.

Resolution of the Government of Canada:

That His Majesty's Government be requested to open negotiations with the several Foreign Governments having treaties which apply to the oversea Dominions with a view to securing liberty for any of those Dominions which may so desire to withdraw from the operation of the Treaty without impairing the Treaty in respect of the rest of the Empire.

Resolution of the Government of the Commonwealth of Australia:

1. COMMERCIAL RELATIONS.

That this Conference, recognising the importance of promoting fuller development of commercial intercourse within the Empire, strongly urges that every effort should be made to bring about co-operation in commercial relations and matters of mutual interest.

2. COMMERCIAL RELATIONS AND BRITISH SHIPPING.

That it is advisable in the interests both of the United Kingdom and of the British Dominions beyond the seas that efforts in favour of British manufactured goods and British shipping should be supported as far as it is practicable.

*These memoranda have been treated as confidential papers and are not published.

Resolution of the Government of New Zealand:

10. All-Red Mail Route between England, Australia, and New Zealand, *viâ* Canada.

That in the interests of the Empire it is desirable that Great Britain should be connected with Canada, and, through Canada, with Australia and New Zealand, by the best mail service available.

That, for the purpose of carrying the above desideratum into effect, a mail service be established on the Pacific between Vancouver, Fiji, Auckland, and Sydney by first-class steamers of not less than 10,000 tons, and capable of performing the voyage at an average speed of 16 knots. That in addition to this a fast service be established between Canada and Great Britain, the necessary financial support required for both purposes to be contributed by Great Britain, Canada, Australia, and New Zealand in equitable proportions.

Resolution of the Government of Newfoundland:

Resolved. That it is the opinion of this Conference that the most certain means of developing trade within the Empire is by connecting the various parts of the Empire by rapid mail communication, travel, and transportation.

That the needs of the North American portion of the British Empire can best be served by connecting Great Britain and Canada, *viâ* Newfoundland, by the best service available within reasonable cost;

That for the purpose of establishing a line of steamers to this end, the Governments of Great Britain, Canada, and Newfoundland should contribute an annual subsidy based on, in proportion to, and having regard to, the population, wealth, trade, and interest of their respective countries.

Resolution of the Government of the Union of South Africa:

(2) That concerted action be taken by all Governments of the Empire to promote better Trade and Postal Communications between Great Britain and the overseas Dominions, and in particular to discourage Shipping Conferences or combines for the control of freight rates between the various portions of the empire.

Resolution of the Government of New Zealand:

15. Income Tax.

That it is inequitable that persons resident in the United Kingdom who, under the laws of a self-governing dependency, pay an income or other tax to the Government of such dependency in respect of income or profits derived from the dependency should have to pay a further tax in respect of the same income or profits to the United Kingdom; and therefore it is most desirable that Imperial legislation should be introduced to remove the disability.

Resolution of the Government of the Union of South Africa:

(6) That it is desirable that an understanding be arrived at between the Imperial and the Colonial Governments whereby the Imperial Exchequer in claiming payment for Income Tax and Death Duties should allow a deduction for payments fairly claimed for these purposes in the Colonies.

Resolution of the Government of New Zealand:

16. Stamp Duty on Colonial Bonds.

That in order to encourage investment in the bonds of oversea Dominions it is desirable that debentures or other securities issued in the United Kingdom by,

or on account of, the Governments of the self-governing dependencies should be exempted from stamp duty.

Resolution of the Government of the Commonwealth of Australia:

10. Coinage.

That with a view to facilitating trade and commerce throughout the Empire the question of the advisableness of recommending a reform of the present units of coins ought to engage the earnest attention of this Conference.

Resolution of the Government of New Zealand:

12. Uniformity of Laws.

That it is in the best interests of the Empire that there should be more uniformity throughout its centres and dependencies in the law of . . . . . currency and coinage.

Papers.

Trade and Shipping Statistics Nos. (3), (4), and (5). Memoranda and papers 12, 14, 15, 16, 31, 32, 33, in Volume of Conference Memoranda already circulated.

Miscellaneous Statistics, *re* Shipping and Trade.*

MONDAY, JUNE 19th.—PLACE OF MEETING: FOREIGN OFFICE, 11 A.M.

POSITION OF BRITISH INDIANS IN THE DOMINIONS. MERCHANT SHIPPING AND NAVIGATION LAWS. UNIFORMITY IN IMMIGRATION AND ALIENS EXCLUSION LAW. COMMERCIAL ARBITRATION AWARDS.

Resolution of the Government of New Zealand:

13. Shipping.

That the self-governing oversea Dominions have now reached a stage of development when they should be entrusted with wider legislative powers in respect to British and foreign shipping.

Resolution of the Government of New Zealand:

12. Uniformity of Laws.

That it is in the best interests of the Empire that there should be more uniformity throughout its centres and dependencies in the law of . . . . . immigration, aliens exclusion.

Resolution of the Government of the United Kingdom:

That the Imperial Government should consider in concert with the Dominion Governments whether, and to what extent, and under what conditions, it is practicable and desirable to make mutual arrangements with a view to the enforcement in one part of the Empire of commercial arbitration awards given in another part.

* Published in separate Parliamentary Paper.

PAPERS.—Telegram No. (30) in Volume of Conference Memoranda. Memorandum as to position of British Indians in the Dominions. Petition from Hindu Residents in British Columbia, Memorandum No. (22) and Memorandum No. (7).

TUESDAY, JUNE 20th.—PLACE OF MEETING: FOREIGN OFFICE, 11 A.M.

REPORT OF A COMMITTEE CONVENED TO DISCUSS MILITARY DEFENCE.

Resolution of the Government of the Commonwealth of Australia:

(*a*) That in the opinion of this Conference it is desirable that Ministers of the United Kingdom and the Dominions should between Conferences exchange reciprocal visits, so as to make themselves personally acquainted with all the self-governing parts of the Empire.

(*b*) That the Government of the United Kingdom take into consideration the possibility of holding the next meeting of the Conference in one of the oversea Dominions.

Question of publication of proceedings.

RESOLUTIONS.

The following Resolutions were unanimously agreed to by the Conference, except where otherwise stated.

I.

Consultation of Dominions as to International Agreements affecting them.

That this Conference after hearing the Secretary of State for Foreign Affairs cordially welcomes the proposals of the Imperial Government, viz.: (*a*) that the Dominions shall be afforded an opportunity of consultation when framing the instructions to be given to British delegates at future meetings of the Hague Conference, and that Conventions affecting the Dominions provisionally assented to at that Conference shall be circulated among the Dominion Governments for their consideration before any such Convention is signed; (*b*) that a similar procedure where time and opportunity and the subject matter permit shall, as far as possible, be used when preparing instructions for the negotiations of other International Agreements affecting the Dominions. June 2. P. 132.

II.

Declaration of London.

[*The Commonwealth of Australia abstained from voting.*]

That the Conference, after full consideration and debate, approves the ratification of the Declaration of London. June 2. P. 134.

III.

British Shipping.

That it is desirable that the attention of the Governments of the United Kingdom and of the Dominions should be drawn to the desirability of taking all practical steps to secure uniformity of treatment to British shipping, to prevent unfair competition with British ships by foreign subsidized ships, to secure to British ships equal trading advantages with foreign ships, to promote the employment of British seamen on British ships, and to raise the status and improve the conditions of seamen employed on such ships. June 2. P. 153.

IV.

Uniformity in Law of Copyright, Patents, Trade Marks, and Companies.

That it is in the best interests of the Empire that there should be more uniformity throughout its centres and dependencies in the law of copyright, patents, trade marks, companies. June 2. P. 165.

V.

International Exhibitions.

June 2. P. 171. That, in view of the International Conference to be held at Berlin in 1912 with a view to the regulation of the conditions under which international exhibitions should receive support, it is desirable that the Imperial and Dominion Governments shall consider the matter in conjunction, so as to arrange, if possible, for concerted action upon this subject.

VI.

Visits of Civil Servants.

June 8. P. 196. That it is in the interests of the Imperial Government, and also of the Governments of the oversea Dominions, that visits of selected officers of the respective Civil Services should take place from time to time, with a view to the acquirement of better knowledge for both services with regard to questions affecting the respective Governments.

VII.

Emigration.

June 9. P. 205. Having heard the interesting and explanatory statement from Mr. Burns, resolved, That the present policy of encouraging British emigrants to proceed to British Dominions rather than foreign countries be continued and that full co-operation be accorded to any Dominion desiring immigrants.

VIII.

Provision for Deserted Wives and Children.

June 9. P. 212. That, in order to secure justice and protection for wives and children who have been deserted by their legal guardians either in the United Kingdom or any of the Dominions, reciprocal legal provisions should be adopted in the constituent parts of the Empire in the interests of such destitute and deserted persons.

IX.

Court of Appeal.

June 12. P. 243. That, having heard the views of the Lord Chancellor and Lord Halsbane, the Conference recommends that the proposals of the Government of the United Kingdom be embodied in a communication to be sent to the Dominions as early as possible.

X.

Naturalization.

June 13. P. 271. That the Conference approves the scheme of Imperial citizenship, based on the following five propositions:—

(1) Imperial nationality should be world-wide and uniform, each Dominion being left free to grant local nationality on such terms as its Legislature thinks fit.

(2) The Mother Country finds it necessary to maintain five years as the qualifying period. This is a safeguard to the Dominions as well as to her, but five years anywhere in the Empire should be as good as five years in the United Kingdom.
(3) The grant of Imperial nationality is in every case discretionary and this discretion should be exercised by those responsible in the area in which the applicant has spent the last twelve months.
(4) The Imperial Act should be so framed as to enable each self-governing Dominion to adopt it.
(5) Nothing now proposed would affect the validity and effectiveness of local laws regulating immigration and the like or differentiating between classes of British subjects.

XI.

Uniformity in Law of Accident Compensation.

That it is in the best interests of the Empire that there should be more uniformity throughout its centres and dependencies in the law of accident compensation. June 13. P. 273.

XII.

Deportation of Aliens.

That, where aliens are deported under the law of any Dominion from one part of the Empire to another, it is desirable that some system should be devised whereby the Governments concerned may effectively co-operate in the measures necessary for the final disposal of such aliens. June 13. P. 274.

XIII.

Birthday of His Majesty the King.

That it is desirable that the 3rd June, the Birthday of His Most Gracious Majesty King George V., shall in each succeeding year be duly honoured and celebrated throughout the British Empire, and that such measures be taken by legislation or otherwise as may be deemed necessary to give full effect to this resolution. June 13. P. 276.

XIV.

Cheaper Cable Rates.

That, in view of the social and commercial advantages which would result from increased facilities for intercommunication between her dependencies and Great Britain, it is desirable that all possible means be taken to secure a reduction in cable rates throughout the Empire. June 15. P. 290.

XV.

State-owned Atlantic Cable.

That, in the event of considerable reductions in trans-Atlantic Cable rates not being effected in the near future, it is desirable that the laying of a State-owned cable between England and Canada be considered by a subsidiary Conference. June 15. P. 307.

XVI.

State-owned Wireless Telegraph Stations.

June 15. P. 315. That the great importance of wireless telegraphy for social, commercial, and defensive purposes renders it desirable that a chain of British State-owned wireless stations should be established within the Empire.

XVII.

Universal Penny Postage.

June 15. P. 323. That, in view of the social and politcal advantages and the material commercial advantages to accrue from a system of international penny postage, this Conference recommends to His Majesty's Government the advisability, if and when a suitable opportunity occurs, of approaching the Governments of other States, members of the Universal Postal Union, in order to obtain further reductions of postage rates, with a view to a more general, and, if possible, a universal, adoption of the penny rate.

XVIII.

Imperial Postal Order Scheme.

June 15. P. 325. That it is desirable to complete the Imperial Postal Order scheme by its extension to Australia and its full adoption by Canada, so that the British Postal Order shall be obtainable and payable in all parts of the Empire, and thus afford a ready and economical means of remitting small sums, not only between the United Kingdom and other parts of the Empire, but between each part and every other.

XIX.

Commercial Treaties.

June 16. P. 339. That His Majesty's Government be requested to open negotiations with the several Foreign Governments having commercial treaties which apply to the overseas Dominions, with a view to securing liberty for any of those Dominions which may so desire to withdraw from the operation of the Treaty without impairing the Treaty in respect of the rest of the Empire.

XX.

Royal Commission as to Natural Resources and Improvement of Trade of the Empire.

June 16. P. 344. That His Majesty should be approached with a view to the appointment of a Royal Commission representing the United Kingdom, Canada, Australia, New Zealand, South Africa, and Newfoundland, with a view of investigating and reporting upon the natural resources of each part of the Empire represented at this Conference, the development attained and attainable, and the facilities for production, manufacture, and distribution; the trade of each part with the others and with the outside world, the food and raw material requirements of each and the sources thereof available, to what extent, if any, the trade between each of the different parts has been affected by existing legislation in each, either beneficially or otherwise, and by what methods consistant with the existing fiscal policy of each part the trade of each part with the others may be improved and extended.

XXI.

Mail Communication.

That in the interests of the Empire it is desirable that Great Britain should be connected with Canada and Newfoundland and through Canada with Australia and New Zealand by the best mail service available. June 16. P. 357.

XXII.

Trade and Postal Communications and Shipping Conferences or Combines.

That concerted action be taken by all Governments of the Empire to promote better Trade and Postal Communications between Great Britain and the overseas Dominions, and in particular to discourage Shipping Conferences or combines for the control of freight rates between the various portions of the Empire, in so far as the operations of such Conferences are prejudicial to trade. June 16. P. 392.

XXIII.

Wider Powers of Legislation as to Merchant Shipping.

(*The Governments of the Dominions of Canada and New Zealand only were in favour of this Resolution, the Governments of the United Kingdom, the Commonwealth of Australia, the Union of South Africa, and Newfoundland abstaining.*)

That the self-governing overseas Dominions have now reached a stage of development when they should be entrusted with wider legislative powers in respect of British and Foregn shipping. June 19. P. 424.

XXIV.

Uniformity of Laws as to Alien Immigration Exclusion.

That it is in the best interests of the Empire that there should be more uniformity throughout its centres and dependencies in the law of alien immigration exclusion, and that it is therefore desirable that it should be referred to the Royal Commission recommended by the Imperial Conference. June 19. P. 424.

XXV.

Mutual Enforcement of Judgments and Orders of Courts of Justice, Including Judgments and Orders as to Commercial Arbitration Awards.

That the Imperial Government should consider in concert with the Dominion Governments whether, and to what extent, and under what conditions, it is practicable and desirable to make mutual arrangements with a view to the enforcement in one part of the Empire of judgments and orders of the Courts of Justice in another part, including judgments or orders for the enforcement of Commercial Arbitration Awards. June 19. P. 332 and p. 425.

XXVI.

Suez Canal Dues.

P. 429. June 20. That this Conference is of opinion that the dues levied upon shipping for using the Suez Canal constitute a heavy charge and tend to retard the trade within the Empire, and with other countries, and invites the Government of the United Kingdom to continue to use their influence for the purpose of obtaining a substantial reduction of the present charges.

XXVII.

Mutual Visits of Ministers and Questions of Holding Meetings and Conferences in the Overseas Dominions.

June 20. P. 436. (*a*) That in the opinion of this Conference it is desirable that Ministers of the United Kingdom and the Dominions should between Conferences exchange reciprocal visits, so as to make themselves personally acquainted with all the self-governing parts of the Empire.

(*b*) That the Government of the United Kingdom take into consideration the possibility of holding a meeting of the Conference or a subsidiary conference in one of the overseas Dominions.

XXVIII.

June 20. P. 436. The members of the Conference representing the overseas Dominions desire, before they separate, to convey to the Prime Minister and to the Secretary of State for the Colonies their warm and sincere appreciation of the manner in which they have prepared, assisted in, and presided over the labours of the Conference, as well as of the many courtesies which they have received from them; they desire also to put on record the deep sense of gratitude which they feel for the generous hospitality which has been extended to them by the Government and people of the United Kingdom.

FIRST DAY.

Tuesday, 23rd May, 1911.

The Imperial Conference met at the Foreign Office at 11 a.m.

Present:

The Right Honourable H. H. Asquith, K.C., M.P. (President of the Conference).

The Right Honourable L. Harcourt, M.P., Secretary of State for the Colonies.

Canada—

The Righ Honourable Sir Wilfrid Laurier, G.C.M.G., Prime Minister of the Dominion.

The Honourable Sir F. W. Borden, K.C.M.G., Minister of Militia and Defence.

The Honourable L. P. Brodeur, K.C., Minister of Marine and Fisheries.

Australia—

The Honourable A. Fisher, Prime Minister of the Commonwealth.

The Honourable E. L. Batchelor, Minister of External Affairs.

The Honourable G. F. Pearce, Minister of Defence.

New Zealand—

The Right Honourable Sir Joseph G. Ward, K.C.M.G., Prime Minister of the Dominion.

The Honourable J. G. Findlay, K.C., LL.D., Attorney-General and Minister of Justice.

Union of South Africa—

General The Right Honourable L. Botha, Prime Minister of the Union.

The Honourable F. S. Malan, Minister of Education.

The Honourable Sir David de Villiers Graaff, Bart., Minister of Public Works, Posts and Telegraphs.

Newfoundland—

The Honourable Sir E. P. Morris, K.C., Prime Minister.

The Honourable R. Watson, Colonial Secretary.

Mr. H. W. Just, C.B., C.M.G., Secretary to the Conference.

M. W. A. Robinson, Senior Assistant Secretary.

Mr. A. B. Keith, Junior Assistant Secretary.

There were also present:

Lord Lucas, Parliamentary Under Secretary of State for the Colonies;

Sir Francis Hopwood, G.C.M.G., K.C.B., Permanent Under Secretary of State for the Colonies;

Sir C. P. Lucas, K.C.M.G., C.B., Assistant Under Secretary of State for the Colonies;

Rear Admiral Sir Charles Ottley, K.C.M.G., M.V.O., Secretary to the Committee of Imperial Defence;

Mr. Atlee A. Hunt, C.M.G., Secretary to the Department of External Affairs, Commonwealth of Australia;

Commander S. A. Pethebridge, Secretary to the Department of Defence, Commonwealth of Australia;

Mr. J. R. Leisk, Secretary for Finance, Union of South Africa; and

Private Secretaries to the Members of the Conference.

The PRESIDENT: Gentlemen, Colleagues, I offer you, in the name of His Majesty's Government, a most grateful and cordial welcome, and I express at the outset of our proceedings a hope which you will all share, that the deliberations of this, the first Imperial Conference, may conduce, in the language of the prayer which we are accustomed to offer for the High Court of Parliament, to the "safety, honour and welfare of our Sovereign and His Dominions."

Four years have passed since some of us who are here to-day took part in the Colonial Conference of 1907. Even in such a relatively short lapse of time notable gaps have been created by the calls of mortality and the accidents of political fortune. The name of my lamented predecessor, Sir Henry Campbell Bannerman, who opened the Conference of that year, will always be associated in the history of the Empire with the grant of full self-government to the Transvaal and the Orange River Colonies, with the result that we have with us at this table to-day not (as then) the representatives of separate South African States but the Prime Minister of the Union of South Africa. And barely a year ago our beloved and illustrious Sovereign, King Edward VII., to whom in 1907 we owed and gave a whole-hearted allegiance, was suddenly taken from the Empire which he served so faithfully and loved so well, leaving behind him the best inheritance which any Monarch can bequeath to his successors—the memory of great purposes worthily pursued, and the example of a life which was directed and dominated by a tireless sense of duty, and an unquenchable devotion to the peoples committed to his charge.

You will join with me, I am sure, in offering, as our first corporate act, our homage to King George V., and the assurance of our fervent hope, and firm belief, that in his reign the British Crown will continue with untarnished lustre to be the centre and the symbol of our Imperial unity. It is, indeed, a happy coincidence that the time fixed for our deliberations will enable the foremost statesmen of the self-governing Dominions and Colonies to take a personal part in the solemnities, shared in spirit and sympathy by the whole Empire, which will attend the Coronation of the King and Queen.

It is natural, and I hope not inopportune, that on such an occasion I should invite you to survey with me, for a few moments, the stage of development which we have now reached in the evolution of that unique political organism which is called the British Empire. I am not going to trouble you with statistics of area, population, production, interchange; interesting and impressive as the figures might be made.

There have been, in the past, Empires which (like our own) were widespread, populous, rich in material wealth, the prolific breeding ground of art and science and literature. But this Empire of ours is distinguished from them all by special and dominating characteristics. From the external point of view it is made up of countries which are not geographically conterminous or even contiguous, which present every variety of climate, soil, people, and religion, and, even in those

communities which have attained to complete self-government, and which are represented in this room to-day, does not draw its unifying and cohesive force solely from identify of race or of language. Yet you have here a political organization which, by its mere existence, rules out the possibility of war between populations numbering something like a third of the human race. There is, as there must be among communities so differently situated and circumstanced, a vast variety of constitutional methods, and of social and political institutions and ideals. But to speak for a moment for that part of the Empire which is represented here to-day, what is it that we have in common, which amidst every diversity of external and material conditions, makes us and keeps us one? There are two things in the self-governing the British Empire which are unique in the history of great political aggregations. The first is the reign of Law: wherever the King's writ runs, it is the symbol and messenger not of an arbitrary authority, but of rights shared by every citizen, and capable of being asserted and made effective by the tribunals of the land. The second is the combination of local autonomy—absolute, unfettered, complete—with loyalty to a common head, co-operation, spontaneous and unforced, for common interests and purposes, and, I may add, a common trusteeship, whether it be in India or in the Crown Colonies, or in the Protectorates, or within our own borders, of the interests and fortunes of fellow subjects who have not yet attained, or perhaps in some cases may never attain, to the full stature of self-government.

These general considerations, Gentlemen, familiar as they are to all of you, may not be wholly out of place when we are contemplating in advance the work which is set before this Imperial Conference. In the early Victorian era, there were two rough-and-ready solutions for what was regarded, with some impatience, by the British statesmen of that day as the "Colonial problem." The one was centralization—the government, that is, except in relatively trivial matters, of all the outlying parts of the Empire from an office in Downing Street. The other was disintegration—the acquiescence in, perhaps the encouragement of, a process of successive "hivings off" by which, without the hazards or embitterments of coercion, each community, as it grew to political manhood, would follow the example of the American Colonies, and start an independent and sovereign existence of its own. After 70 years' experience of Imperial evolution, it may be said with confidence that neither of these theories commands the faintest support to-day, either at home or in any part of our self-governing Empire. We were saved from their adoption—some people would say by the favour of Providence—or (to adopt a more flattering hypothesis) by the political instinct of our race. And just in proportion as centralization was seen to be increasingly absurd, so has disintegration been felt to be increasingly impossible. Whether in this United Kingdom, or in any one of the great communities which you represent, we each of us are, and we each of us intend to remain, master in our own household. This is, here at home and throughout the Dominions, the life-blood of our polity. It is the *articulus stantis aut cadentis Imperii.*

It is none the less true that we are, and intend to remain, units indeed, but units in a greater unity. And it is the primary object and governing purpose of these periodical Conferences that we may take free counsel together in the matters which concern us all. Let me select one or two illustrations from the agenda which have been suggsted for our deliberations here.

There are, first of all, proposals put forward from responsible quarters which aim at some closer form of political union as between the component members of the Empire, and which, with that object, would develop existing, or devise new, machinery, in the shape of an Advisory Council, or in some other form. I need not say that, in advance of the discussions which we are about to have, I pronounce no opinion on this class of proposals. I will only venture the observation that I am sure we shall not lose sight of the value of elasticity and flexibility in our Imperial

organisation, or of the importance of maintaining to the full, in the case of all of us, the principle of Ministerial responsibility to Parliament. Of a cognate character are the questions raised as to the future constitution of the Colonial Office, and in particular as to the segregation and concentration of the work appropriate to the Dominions from the other work of the Department. Under this head I trust that His Majesty's Government may be able to put forward suggestions, which will be acceptable in themselves, and prove fruitful in practice. I will refer to one other topic of even greater moment—that of Imperial Defence. Two years ago, in pursuance of the first Resolution of the Conference of 1907, we summoned here in London a subsidiary Conference to deal with the subject of Defence, over which I had the honour to preside. The results achieved—particularly in the inauguration of the policy of Dominion Fleets adopted by Canada and Australia—are of a far-reaching character. The recent visit of Lord Kitchener to Australia and New Zealand has given a further impetus to the spirit of self-reliance in matters of Defence in those two great Dominions. We adopt different systems in the raising and recruiting of our defensive forces in the different parts of the Empire. Everywhere and throughout, the object is not aggression, but the maintenance of peace, and the insurance against loss and destruction of the vast social and material interests of which we are trustees. It is in the highest degree desirable that we should take advantage of your presence here to take stock together of the possible risks and dangers to which we are or may be in common exposed; and to weigh carefully the adequacy, and the reciprocal adaptiveness, of the contributions we are respectively making to provide against them. I shall propose that (following the precedent created in 1909) these matters should be discussed in the Committee of Imperial Defence, with the assistance of the advice of its expert members, at meetings at which the Dominions will be represented by their Prime Ministers, and the Ministers directly concerned in naval and military defence. At the first of these meetings (which will, of course, like all of them, be of a confidential character) Sir Edward Grey will attend, and will speak to us on the international situation, so far as it affects the Empire as a whole.

Gentlemen, I have purposely, in this brief introduction to our proceedings, left out of account a large number—the largest number—of the topics which will be submitted for our consideration. There are sitting at this table to-day six Prime Ministers, all holding their commission from the same King, and all deriving their title to its exercise from the voice and vote of a free democracy. We are all of us, I suppose, in our own Parliaments party leaders, holding and using power by virtue of the confidence of a party majority. But each of us when he entered this room left his party prepossessions outside the door. For us to-day, and throughout this Conference, there is, I believe, one spirit and one purpose—to make the Empire, in all its activities, and throughout all its parts, a more complete and effective instrument for the furtherance of our corporate unity and strength along the old, well-trodden, but ever lengthening and widening road, of British liberty.

Sir WILFRID LAURIER: Mr. Asquith and Gentlemen—Those whose privilege it was to take part in the Conference that took place here four years ago, have a very vivid remembrance of the very kind words which your illustrious predecessor in the high office you now fill, Sir, addressed to the representatives of the King's Governments in the Dominions beyond the seas. The warm words of welcome which you have just addressed to us exhibit the same spirit of kindness. There are evidences not a few, indeed there are evidences in abundance, that the words which you have spoken do not reflect alone the sentiments of the King's Government, but also the sentiments of the King's subjects in these Islands of whatever origin or creeds they may be.

The only fitting return which, I think, can be made to this warmth of welcome, thus extended to us by the people of the United Kingdom, is to assure you, Sir, and,

through you, His Majesty the King and His Majesty's subjects, of the warm and ever growing attachment, if I may say so, of the populations of the Dominions beyond the seas to the British Crown and the British institutions. At least I can say so for the Dominion from which I come, and I have no doubt my colleagues from the other Dominions can say the same for their own people.

Those who attended the Conference four years ago will also remember that when we met the feeling in this country was rather charged with doubt and misgiving lest the work of the Conference might be fruitless and barren of results. The event, I think I may say, properly showed that for these doubts and misgivings there was no foundation whatever. I do not claim, no one does claim, I am sure, that the discussions which took place were in any way sensational, but I think we can claim that they were productive of material and even important results. The most important of these results was to substitute for the kind of ephemeral Colonial Conferences which had taken place before, a real Imperial system of periodical Conferences between the Governments of His Majesty the King in the United Kingdom and the Governments of His Majesty the King in the Dominions beyond the seas for the discussion of common interests to all.

We are just met, as you said a moment ago, Sir, for the purpose of discussing such topics in the first of these Imperial Conferences. Perhaps I may say that of this Conference, as well as of the last, it will be said when it is reviewed, that the discussions were neither sensational nor dramatic, but conductive to good results. Indeed, it is already evident that these Conferences which have taken place from time to time and which will now take place at regular periods, have already been productive of very important effects. They have brought together British subjects all over the world who probably but for these Conferences would never have met. They have brought more closely together the different Dominions of the British Crown and made them feel more strongly the advantages of British connection. They have produced another result: they have shown us that whilst we are British subjects, who have interests which are common to all parts of the British Empire, there are between Dominions and Dominions and between the Dominions and the United Kingdom, differences of local interest which, unknown and ignored, tend to disintegration, but which, known and recognized, may be harmonized, and harmonized towards union.

I have the happy privilege of representing here a country which has no grievances to set forth and very few suggestions to make. We are quite satisfied with our lot. We are happy and prosperous, but we recognize that there is always room for improvement, and we approach with an open mind the suggestions which shall be made by our colleagues for what they conceive to be the better interests of the British Empire.

I have only one word to add, Sir, and it is to say that we shall be most anxious to second you in offering our homage to our new Sovereign, King George V. As to the sentiments which you have expressed a moment ago, perhaps it would be better not to anticipate them, but for my part, I heartily recognize the truth of the principle which you have laid down, that if there is one principle upon which the British Empire can live, and ought to live, it is Imperial unity based upon local autonomy.

Mr. FISHER: Mr. Asquith, unlike my distinguished friend, Sir Wilfrid Laurier, I appear at these Conferences for the first time, and naturally with some trepidation in the presence of so many distinguished gentlemen. I wish to express my appreciation of the speech you have just made. Its sentiments express the views not only of the representatives here but, as Sir Wilfrid has said, of the whole of the people of the Dominions. I came to the Conference cheerfully and wholeheartidly because I have always been an advocate of Conferences. I think they are good when they assemble here, but I think no loss, indeed I believe a gain, would accrue if they could be held outside the United Kingdom. I do not speak now of

the Imperial Conference as it is named and constituted. I hope the time is not far distant when Conferences of the representatives of the United Kingdom and of the Dominions beyond the seas will not only meet in London but at the centres of other Dominions also. Nothing in my opinion has tended to develop Imperial feeling in the best sense of that term like the improvement of intercommunication, the speed and comfort of transport, and the principle of representatives meeting together and discussing the affairs of their countries.

I hope I shall not be travelling beyond the subjects which call for observation to-day, if I earnestly appeal to the President to take some strong steps to remedy a grave abuse affecting the commerce of the Empire and other countries; I allude to the exhorbitant charges made upon shipping using the Suez Canal. I should like also to say that I believe it would forward the interests of the Dominions and of the Mother Country if you, in the exercise of that great authority which you possess, could more expeditiously give to the Dominions the benefit of the Trade Reports that come to you through your officials in every part of the world. Should you do so we should be able to utilize them more effectively. I think by that means also we shall be able to bring our interests and our associations closer together.

You said in your address that the genius of the British race rather than a dispensation of Providence had developed the unity of the peoples of the Empire. I think that is a fine sentiment boldly stated. The other point that impressed me was that greater freedom had led to closer unity. It had done much to assure peace in the world, and might do more to prevent war. That is a great achievement. I hope the limits of such an organization have not yet been reached.

With regard to Defence, speaking for the Commonwealth, our object is to protect the liberties of our people, and assure the safety of our country. Aggression is not our aim. Anything we can do to help maintain an honoured name and free institutions shall be done cheerfully.

We particularly desire the Commonwealth to be closely associated with the Government of the United Kingdom in all they may do to promote the cause of International Arbitration, and help preserve the peace of the world.

I wish to convey through you to His Majesty the King on behalf of the people of the Commonwealth our gratitude and loyalty, and hope that we shall ever remain true and faithful subjects.

Sir JOSEPH WARD: Mr. Asquith, I desire to say how very highly I, as one of the representatives of New Zealand, appreciate the cordial welcome you were good enough to extend to us on our assembling here. I remember so well the circumstance to which you alluded that took place four years ago, and I also recollect the distinguished gentleman who filled the high and honourable position which you now occupy. I well remember, too, the speech delivered by him upon that occasion, and how reassuring it was to the whole of us Colonial representatives to find that the Head of the British Government was anxious to do what he could to help on what we people in a minor way were endeavouring to do in the oversea Possessions, and were anxious to co-operate with the British Government in giving effect to here.

During the course of your speech, Sir, I have heard of nothing with greater pleasure than your reference to the great work, the Empire work, initiated by the late Sir Henry Campbell-Bannerman. I want in a humble way to add my personal testimony to what I believe has been one of the greatest achievements of the century from the historical point of view of the British Empire in the bringing together of the divided States of South Africa into one whole. It is a work that has done an immense amount of good for that country, and has impressed upon the British people all over the world the fact that probably no other people in the world than those of Great Britain, and perhaps no other Parliament in the world than the Mother

of Parliaments, would have carried out what was looked upon by some as a very risky proposal to give effect to. It showed the wisdom of those responsible, and in the result it certainly, from my standpoint, helps to make me feel very cheerful as to what may be the outcome of the deliberations of this Conference on some of the important matters which later on will come up for consideration. I am one of those who believe that the difficulties that have faced the British statesmen in the old land and the younger British statesmen in the younger lands are to be overcome, and I trust that even although we may differ upon material points in discussing these matters, we may be able to apply some of those splendid characteristics which in the past have been the means of accomplishing so much, to the important work which will come before us upon this occasion.

I desire to say, Mr. Asquith, that in New Zealand we recognize fully that in the matter of governing our own country, we have always been allowed by the British Authorities to do practically what our people desired, and practically what we liked with the reservation that is usually exercised, and rightly so, as to the consent of the King to any important alterations that might be contemplated affecting British subjects in other portions of the Empire, or concerning the constitution of our country itself. With those reservations we have been in the happy position of always being allowed to do what we liked. I wish to emphasize the point, referred to so eloquently by you, that we to the fullest possible extent recognize the principle of being daughters in your house and mistress in our own, and I am in full accord with the sentiments expressed by you as to the necessity of elasticity and flexibility in connection with any matters that may be attained as the outcome of this Conference, or by any legislation that may be necessary with a view to promoting any of the matters which we may finally decide desirable to bring about.

I am in entire accord with you and the other representatives at this Conference in saying that above all things we require to preserve our local autonomy, but I do believe, and later on I propose to elaborate a little more that point, that the preservation of our local autonomy and the elasticity and flexibility to which you have alluded can be maintained, but that it is essential for us to make a step forward and an important step forward if we want to prevent that to which you have also alluded, and which I believe to be a danger at the present moment—namely, the future disintegration of any portion of the British Possessions. I do not propose on this occasion—it would be the wrong time for one to do so—to do more than merely allude to that.

I also wish, as the other two gentlemen who represent Canada and Australia have done, to give expression to the homage of the people of New Zealand to His Majesty King George V., and to say for them how earnestly we wish him long life and happiness in the important and high position he occupies. The belief that he will have a great career is strongly impressed upon the whole of us, if I may be allowed to say so, by the excellent way in which His Majesty has conducted the high and difficult duties attached to his office since he has assumed it, a post made more difficult from the fact that his great predecessor, Edward VII., rose to so high a standard in his continual endeavour to bind all portions of the Empire together and worked so successfully to promote the peace of the world.

I can only again thank you, Mr. Asquith, for the very cordial welcome you have extended to us, and express the hope that the outcome of this Conference's work will be for the good of the Empire as a whole.

General BOTHA: Gentlemen, I also have listened to the opening remarks of our respected Chairman with the greatest pleasure, and I wish to thank him most sincerely for his cordial words of welcome. On behalf of South Africa, I must again express the deep sorrow of our people on the death of our late beloved King Edward VII. From the people whom I represent, I bring the most loyal greetings and dutiful homage to our King George V.

I have been deeply touched by the words of our Chairman about our late good friend, Sir Henry Campbell-Bannerman. In him, South Africa has lost a good friend whose memory we shall always cherish.

Since we assembled last a most important event has taken place in the history of the British Empire, the Union of the South African Colonies. On the last occasion, South Africa was here represented by three Governments while one Colony was not represented at all. To-day my Colleagues and I have the honour to be present on behalf of the whole Union—the youngest nation in the row of nations under the British flag.

We are grateful to be able to assure you that in that country where up till then there was so much discord, and where so many tears and so much blood had flown in the past, concord and harmony now reign. Both sections of the population have worked together to attain that much-desired union, and we may say to-day that our first Parliament has proved that we were ripe for union. We have not only united countries, but also hearts. We are to-day in South Africa inspired with new hope and new courage, and we look forward to the future with the greatest confidence.

All in South Africa now work together loyally for the development of our part of the British Empire, and the building-up of a healthy and strong young nation of which the Empire will be proud.

My colleagues and I are proud to be able to say that we represent all sections of our population, who will follow the proceedings of this important Conference with the greatest interest.

Sir EDWARD MORRIS: Mr. Premier, I am in entire accord with what has been said by those who represent the other, and greater Dominions, and I am sure that we are all to be congratulated in having the privilege of taking part in a Conference presided over by the Premier of England, and I congratulate you, Sir, on the very fine Imperial spirit and sentiment that permeates the whole of that address.

It was not my privilege or advantage to be present at any of the other Colonial Conferences that have been held during the last few years. I was present at the Conference referred to by you a moment ago. in relation to the defence of the Empire. I took part in the whole of the deliberations of that Conference, and I can only hope that the spirit of unity that prevailed at the deliberations of that Conference will characterize the present one. I am quite certain it will, because I feel that everyone here, no matter whether it be those who represent the great Dominions, or those who represent the smaller ones, is actuated by what was so well expressed by you, namely, that when they come in here they leave party outside; and, although there may be great party resolutions involving large fiscal and other questions in this country and in the Dominions, here there is no question, except it be the one to advance in every possible way the interests of the Empire as a whole. I should not suppose there would be any difference upon that point, and if there appears to be a difference it can only mean that we differ as to the means by which that can be accomplished.

I desire also to tender, on behalf of Newfoundland, an expression of loyalty, through you, to His Majesty the King; and I am quite satisfied—as has been so very well expressed by the others—that the evidence which His Majesty has already given, in relation to ruling over this great Empire, will be more than sustained as the years go on.

I was particularly struck with one of the principles laid down by you in your address, and that is the characteristic of the British law, as it may be termed in the Empire—that is, the Reign of Law. I suppose there is no other country in the world that has established such a record, or whose record is so unique as that of the British Government, whether it be in the Motherland or in the Colonies, "Law and

Order" is respected everywhere, and I am sure that anything that can be done by this Conference by resolution, or by suggestion in any way, to further perfect that will meet with the approval of those whom we represent.

I thank you, on behalf of Newfoundland, for allowing me the privilege of making these few remarks.

Address to the King.

The PRESIDENT: I think, Gentlemen, after what has been said, we should all agree that we ought now, before we proceed with the business of the Conference, to express in formal terms the sentiment to which some of us have already given utterance—our homage and loyalty to the King; and I will ask Sir Wilfrid Laurier if he will be good enough to move a resolution in that sense.

Sir WILFRID LAURIER: Mr. Asquith, I would suggest something like this, if agreeable, and it could be put in shape by Mr. Just: "The Imperial Conference, at their first meeting, as their first act, desire to present their humble duty to your Majesty, and to assure you of the devoted loyalty of all the portions of your Majesty's Empire here represented."

Mr. FISHER: I have pleasure in seconding that.

The PRESIDENT: I do not think it could be better put than that: "The Imperial Conference, at their first meeting, as their first act, desire to present their humble duty to your Majesty, and to assure you of the devoted loyalty of all the portions of your Majesty's Empire here represented." I assume that is carried unanimously. We will make a record of it.

Publicity of Proceedings.

"That the Conference be open to the Press except when the subjects are confidential."

Now, Gentlemen, the first item of business which has to be considered, which necessarily precedes everything else, is the proposed resolution of the Government of New Zealand, that the Conference be open to the Press except when the subjects are confidential. Sir Joseph Ward, will you let us have your views about that?

Sir JOSEPH WARD: Mr. President, in moving the resolution that the Conference be open to the Press except when the subjects are confidential, I may say that a great deal of the valuable discussion that took place at previous Conferences did not realize its effect because the full report of the proceedings was not published. I make the reservation, of course, that there was a good deal or work done at those Conferences which could not in any case have been published, and I have no doubt that will apply to the present Conference as well. There must be many confidential matters that come up for consideration that ought not to be published. My own idea was that a similar course of procedure might be adopted to what is followed by Parliamentary Committees when taking evidence, either in this country or in some of the oversea countries, that is to say, that when a matter of an important nature crops up the room should be cleared. That is the usual course in parliamentary practice, and I think it might with advantage be applied to such a Conference as this.

I should be exceedingly sorry, so far as I am concerned, to suggest that anything should be done that might militate against the free and full discussion of any important matter the value of which to the respective members would be lessened

unless they were able to talk with freedom; but I look at the matter from the standpoint of what took place at the last Conference. I know that for quite a time the people in New Zealand heard next to nothing of what was going on at that Conference. The Australian representative was in a better position, from the fact that the authorities who controlled the Press cable service to Australia were in Australia, and not unnaturally published what was regarded as being of the greatest importance to the Australian readers. From the New Zealand standpoint it may not have been considered that their representative's views were of such great importance to them, but the Australian part was published very fully, while matters of material importance to the people of New Zealand were almost forgotten, and made so subsidiary to the interests of the Press of the Australian continent as to make the reports from a New Zealand point of view of little value. That was unfair to the people in New Zealand, because they have a right to know what their representative is doing at these Conferences as well as, of course, the people in the other portions of the overseas Dominions have the right to know what is going on so far as their representatives are concerned; and it was that difficulty that arose and that caused a good deal of friction for a time in New Zealand itself. I am anxious, as the representative of that country, to prevent a repetition of that state of affairs, and to see that a proper knowledge of what is taking place at this Conference is afforded through the press of New Zealand for the information of the public there. The proceedings of this Conference from day to day should be reported.

I want it to be perfectly understood that I am not reflecting on any of the official staff or on the men connected with the Press organizations. It is to the system I am referring, which, in my opinion, was responsible for the situation to which I have just alluded. I think that we might with very great advantage, so far as my judgment goes, allow the general work of the Conference to be open to the Press, except the more important portions which may be regarded as confidential; those we should deal with in Committee, and no public record should be taken of the proceedings in such matters.

Sir, I move the resolution, notice of which I have given.

Sir WILFRED LAURIER: Mr. Asquith, the subject which is now brought forward to the attention of the Conference by my friend, Sir Joseph Ward, engaged at some length the attention of the last Conference. Opinions were divided upon this point, but finally the majority came to the conclusion that it would not be advisable to have the Press admitted to the sittings of this Conference, and the Resolution which was finally carried was that a record should be taken of what is said here, and a précis given to the Press every day.

I may observe to Sir Joseph Ward that the people of New Zealand, so far as the proceedings of this Conference took place from day to day, were as well informed as the people of London, or the people of Australia, or the people of Canada. Perhaps, in Australia or in Canada they may have had a little more information, because there were enterprising journalists, newspaper men, who undertook to comment and to get what information they could, and sent it to their respective papers, both in the capital here in London and the respective Dominions, to which they belonged. The rule, as adopted, worked fairly well. I am sorry I did not then agree with Sir Joseph Ward. Like all rules it was not carried quite unanimously; the words used by Sir Joseph Ward show that it was not carried with unanimity, but I think on the whole, the majority was satisfied with the result.

For my part, I would see very great objections on broad principles to have the Press admitted, because it would be practically admitting the public to these Conferences. The moment the Press is here the whole public is admitted, and the discussion which takes place—I was going to use the word negotiations and I think that would not be out of place—the deliberations at all events, would I am afraid, if

the public were admitted from day to day, fall immediately into the domain, I will not say of party politics, but at all events of public discussion. If these Conferences are to have any good result (and I am sure they will) we are all agreed as to this point. I think it better that we should keep to this Conference the character of a Conference, that is to say, of deliberations, discussion, negotiation, trying to get a unanimous conclusion upon all the questions which are debated. We are all one here, and Mr. Asquith very properly said that when we cross this threshold we leave party politics behind. We leave all party spirit behind. As British subjects we are discussing Imperial questions and we cannot hope that upon each subject, as on any other subject, we can be unanimous. There must be differences of opinion, and the object of this Conference is, upon all these questions, to try to come to a unanimous conclusion. If we are, therefore, to reach this goal which would inspire us upon all questions that come forward, I think we must do as is done in all these matters, preserve the secrecy of these deliberations and give, not the differences of opinion which may exist here, but the unanimous conclusion which is reached, and for these reasons for my own part, if Sir Joseph Ward presses his motion to a conclusion, I should have to vote against it.

Mr. FISHER: Mr. Asquith, I have a great deal of sympathy with the point that the Press should hear all the debates, although there are many subjects coming before this Conference which it would be out of place and unreasonable to permit discussion upon openly. One of the weaknesses of this proposal is, that if this Conference is open to the Press, except when the subjects are confidential, the subjects are all known to the Press, and immediately you reach a confidential and critical one, someone will have to move that it is not one fit for public discussion. That will emphasize it and may give it undue prominence.

I have hopes, if it is my great privilege to be here at another Conference, that it should be possible so to arrange the Agenda that certain subjects that are to be discussed, might be separated altogether from general subjects and be discussed in open conference, apart altogether from the more serious subjects that we will have to deal with in secret. By that means some useful work may be done here without offending in any way or lessening the power of this Conference for good.

I understood from Sir Wilfrid that there was some idea of a précis of considerable length being issued from day to day.

The PRESIDENT: Perhaps I might mention here that Mr. Harcourt has procured the services of a trained summary writer, who will attend here and will be prepared to give, at the conclusion of the day, matter, roughly speaking, which will occupy a column, or something like a column, of the "Times"; and it is proposed that members of the Conference shall have an opportunity of seeing this in the afternoon (it will not appear until the next morning), and, of course, making any corrections which they think necessary. I think that really meets the full requirements of the case.

Mr. FISHER: I think that is a great improvement on what was done previously.

With reference to the important matter mentioned by Sir Joseph Ward, that there was some difficulty in his people getting any information at all four years ago, while the Australians got it, I am afraid we are under a grave disadvantage in our part of the world in the information that reaches us about events happening on this side of the world. That is a matter which will arise later on, and be discussed on another motion.

General BOTHA: Mr. President, I am sorry to say that I cannot see my way to support this resolution. I consider that we would be taking a very wrong step indeed

in admitting the Press to our proceedings. Our discussions must necessarily be to a large extent of a confidential and conversational nature, and they should remain so, in my opinion, if we expect to attain satisfactory results. Although I am as much as anyone in favour of the greatest publicity, I do feel that there are occasions when such a course is most inexpedient. In South Africa, at the time when our National Convention began its deliberations, the same question, of course, had to be settled, and we decided that the discussion should be carried on absolutely with closed doors. During more than four months questions of the greatest importance to every part of the country were discussed in the National Convention, and I may say that practically nothing transpired outside of what took place within. I think it is most unlikely that if we had adopted any other policy we should ever have attained the Union which we enjoy to-day. I think our difficulties would be increased enormously.

Of course, I do not maintain that the objections against publicity are so strong in the case of this Conference as they were on the occasion of our National Convention. I do feel, however, that it is most inadvisable for us to admit the Press; and I think that the public can have no reasonable cause for complaint if we follow the procedure which was adopted at the last Conference. My opinion is that everything should be recorded that takes place; that a précis of the proceedings be issued daily to the Press after revision by the members of the Conference of the portions which concern them, and that towards the end of the Conference we should decide when and how far publicity should be given to our discussions.

Sir EDWARD MORRIS: Mr. President, I would like to say that, whilst I can quite appreciate the motive of Sir Joseph Ward and sympathise with him for many reasons, at the same time I think that to have this Conference open to the Press would make it almost impossible to have a full and free and frank discussion. I do not think it would be in the interests of the Empire for many reasons, because many matters would have to be disclosed with all the reasons why, and in relation to all the subjects that would come up; and it is well to remember that there are many persons who would be admitted who are not in sympathy with the work of the Conference. On the other hand, many of them would be interested in defeating it. I think that nearly all can be given to the Press in the way indicated; but to have a system by which the Press would be excluded from time to time would have the effect of creating alarm, as if there were some very important reasons why they should be excluded; and you would have a discussion going on that might not lead to any good.

I think, on the whole, the system that has been followed in the past, referred to by Sir Wilfrid Laurier, will probably meet all the case and accommodate Sir Joseph Ward too.

The PRESIDENT: After those expressions of opinion probably Sir Joseph Ward would not be disposed to press his proposal to a division. I quite appreciate the reasons which have induced him to bring it forward, but I think the argument the other way is overwhelming in its force. This Conference is not, of course, in the nature of a public meeting. Its whole value would be destroyed if we could not with perfect freedom and with complete confidence express our views upon each and all of the topics which successively arise; and I myself see enormous and indeed insuperable difficulties in trying to discriminate in advance between topics which ought to be regarded as confidential and of supreme importance, and those which could be fairly treated as belonging to a different category. I think we should find ourselves constantly in very serious difficulties; and, as has been pointed out by more than one of the speakers, the moment the Press is excluded, its curiosity, as we all know, becomes intense, and we might have all sorts of the most alarming pictures drawn of fictitious conflicts going on within the secrecy of these four walls, simply because the Press is not admitted to our proceedings.

I think on the whole we should do much better to follow the precedent of the last Conference, although I agree that the précis which was then submitted was not always quite adequate; but Mr. Harcourt has taken steps which will secure that on this occasion the public will hear from day to day all that the members of the Conference think it right they should be told. I therefore suggest to Sir Joseph that he should not press his proposal to a division.

Sir JOSEPH WARD: Mr. Asquith, in view of the expressions of opinion from the gentlemen around me, it would be foolish to press the motion with a view to having myself recorded as being the sole supporter of it, and I recognise that the proper thing to do is to withdraw the motion. I merely wish to remark, with all due deference to my friend Sir Wilfrid Laurier, that if the people of New Zealand had received the same information as was sent elsewhere on the last occasion, I would have had no fault to find; the difficulty was that it was regarded as being of much greater importance to cable out the information that suited the readers of a great number of papers in the great Australian Commonwealth rather than what was applicable to New Zealand as a separate country. It is a matter of no special consequence to anyone else and, although I may have made mistakes at the last Conference and may make mistakes here, the people of New Zealand are at least entitled to know what their representative is doing. For some time after the commencement of the last Conference, though I took part in all the important discussions at the time, my existence was not known as far as New Zealand was concerned. I think if that had occurred to Sir Wilfrid Laurier in Canada, or to General Botha in South Africa, they probably would feel that their people had the right to know what it was they were trying to represent at this Conference; and I felt exactly that way when I ascertained that the exigencies of the situation, peculiar as they were, were governed by the fact that the Australian readers only wanted information regarding their own representative, and were not at all concerned as to what I was doing. Still, the people across the water in New Zealand were just as much concerned as to what I was trying to do, either making mistakes or otherwise, as the people of Australia or Canada or South Africa were concerned in the expressions of opinion to which their representatives were giving utterance. It is not upon the score of vanity that I refer to what took place at the last Conference so far as I was concerned, because I want to assure the Conference that I am not a vain man; but I want to know that the people in the country I have the honour to represent shall have a proper opportunity of knowing what is going on at a Conference such as this is.

I believe it would be the very much stronger course to have the Conference open to the Press and to allow the Press either to report or not, as the case may be, the views of any of us in connection with the work of the Conference. I want to make that clear. I do not think I have let anything fall myself which would suggest otherwise; but I am in full accord with Mr. Asquith in stating that the moment we come to this Conference, in fact, the moment we leave our shores, New Zealand or any other country, we cease to be party politicians. I want it fully understood, as far as I am concerned, that I am here to represent every class of people and opinion in New Zealand, and I should be sorry if in any sense whatever there was an attempt to make anything in the shape of capital out of anything I should say at this Conference, because we are here upon the bigger and broader grounds of trying to do good for the Empire as a whole.

I simply want to say, in view of the expression of opinion to which all the other members of the Conference have given utterance, that I withdraw the motion.

AGENDA AND DAYS FOR MEETING.

The PRESIDENT: Gentleman, if you will be kind enough now to take in your hands the paper which is headed "Imperial Conference—Provisional Agenda," this is merely a scheme of business which is submitted to you for consideration. It maps out both time and subject, and, to some extent, the method of procedure of practically the whole Conference. I might just perhaps call your attention, without expressing my opinion upon them, to the different points.

The hour of meeting is fixed at 11 o'clock in the morning, with the exception of Monday the 29th, when we propose to have an afternoon sitting. There is a levee in the morning of that day, which Ministers or some of them may desire to attend, and therefore it is unfortunately necessary to have a meeting on the afternoon of Monday, otherwise 11 a.m. is fixed for the meetings, with no afternoon meetings. Sometimes we may be obliged to sit on in the afternoon, and I expect we shall have to sometimes.

Mr. FISHER: I understood you to say the sittings would be in the morning, with no afternoon sittings.

The PRESIDENT: It is not safe to assume that there would be no sittings in the afternoon, and I have no doubt we shall have to sit in the afternoon sometimes. The days of meeting suggested are Monday, Tuesday, Thursday, and Friday. The reason we have given up Wednesday is that Wednesday is our weekly day for the meeting of the Cabinet; our Cabinet always meets on Wednesday morning, and I am afraid it will be almost impossible, without great dislocation of public business here, and very great inconvenience too to my colleagues of both House, to alter the day of meeting of the Cabinet and I should hope that the members of the Conference would make it convenient to allow us to have Wednesday morning for our own domestic purposes. That would give you Monday, Tuesday, Thursday, and Friday for the meetings of the Conference, and I expect that nobody would want to sit on Saturday. What do you say to that?

Mr. FISHER: I am prepared to go right on: I think that is enough.

General BOTHA: Hear, hear.

The PRESIDENT: You will observe, as regards the subjects put down for Friday next and Monday and Tuesday next, it is suggested, as I said in my opening remarks, that it would be more convenient to have the discussion of them at the Committee of Imperial Defence, the reasons being that we should there have the presence of all our great experts, military and naval, both Sir Arthur Wilson from the Admiralty——

Mr. FISHER: But you have passed over the questions, under Tuesday, of the Imperial Council and the Organization of the Colonial Office.

The PRESIDENT: I am coming back to that. I am only dealing with the dates of the sittings just now. I suppose we are all agreed that it would be better that these military and naval defence matters should be discussed at the Committee of Imperial Defence. (Agreed.)

There are some subjects which are so technical, and also which for the most part do not cover a very wide range, that it is thought it might be more convenient that they should be discussed by committees of the Conference. It would be almost a waste of time to bring the whole Conference to bear upon them. You will see on Thursday, June 1st, there are some of these Board of Trade subjects—Labour Exchanges; the Enforcement of Arbitration Awards; Weights and Measures; International Exhibitions, and so on. They are not unimportant, but they are very much

committee points, and I think the Conference would probably agree that it would be a saving in time and labour if they were relegated to a committee. I think the same may probably be said of these matters—they are highly technical although they are highly important—which are put under the headings of the Treasury: Double Income Tax: Double Estate Duty; and Stamp Duty on Colonial Bonds. Both New Zealand and South Africa are interested in those, I think; South Africa I know is.

The Chancellor of the Exchequer, of course, will attend the discussion of those matters, with the Secretary of the Treasury, and I think probably, as they are highly technical, they might be more conveniently dealt with in Committee. Possibly the same observations might apply, if you turn over the page, to certain of what I will call Home Office Questions, particularly uniformity in Accident Compensation, Immigration, and Aliens Exclusion law. Those, I think, are mainly topics suggested by New Zealand, Sir Joseph, and if for any reason you think they should be discussed in plenary conference——

Sir WILFRID LAURIER: May I interject a word? What advantage would there be in having these matters discussed in committee before being referred to here? Would it not be better to have them first mooted here and afterwards dealt with in committee?

The PRESIDENT: If you please.

Sir JOSEPH WARD: Yes, for instance, immigration and the exclusion of aliens are very important.

The PRESIDENT: That probably would be the more convenient way—to bring them in the first instance before the Conference, and if we find it necessary, we can refer them to Committees.

Sir WILFRID LAURIER: I suppose some of them could be disposed of immediately at the Conference.

The PRESIDENT: Then we will proceed on that basis. Then we come back, Mr. Fisher, to the question you were raising; the order in which the subjects of discussion should be taken. The suggestion here is that we should begin to-day the Imperial Council, and the Organization of the Colonial Office, and continue that subject, which is a very large one, on Thursday.

Mr. FISHER: Perhaps Sir Wilfrid wants to say something on that point first?

Sir WILFRID LAURIER: No.

Mr. FISHER: I think the Declaration of London raises a more important question. It raises the point that the Dominions should be fully informed of treaty negotiations before they are signed or declared. I thought it would be more convenient if, before it was submitted to a committee, the Conference should discuss it.

The PRESIDENT: It was never intended to submit that to a committee.

Mr. FISHER: That is right.

The PRESIDENT: I should have thought that that aspect of the Declaration of London, apart from the merits of the Declaration itself, the question of communication or non-communication, could be used by way of illustration in the discussion on the Imperial Council. That is independent of the merits of the Declaration itself; it is a question merely of procedure. All the arguments drawn from the Declaration of London would be quite relevant for discussion on this topic. The Declaration itself raises several questions of policy which are quite independent.

Mr. FISHER: We do not intend to press the question of policy unduly. If that question could be discussed and a method of getting over that difficulty discovered, we should be very glad indeed.

The PRESIDENT: I think that would be clearly relevant.

Mr. FISHER: At any rate we should like it to get a little earlier attention. We feel that the question raised is more important.

The PRESIDENT: That is the principle of the means of communication.

Sir WILFRID LAURIER: If I may say so, Mr. Fisher, I think the Agenda proposal is perhaps the most logical. The first is to discuss the Imperial Council, that is to say, the relations of the Dominions beyond the seas with the Imperial Government here. In my estimation there is no more important question before the Conference that we have to discuss; and then I think the Declaration of London might be taken up, because the Declaration of London is a very technical subject in itself and might be better discussed, perhaps, when we have decided what we should do here with regard to the Imperial Council. In deference to your wishes, for my part, Mr. Fisher, I would be very happy if you were to take it up immediately after that preliminary question.

Mr. FISHER: That would suit me. We feel it involves a principle of the very gravest kind, not that a solution cannot be found for that difficulty; but to leave it to the last item would be practically shelving it altogether. Our desire is to get the matter before this Conference and find a solution, if possible, of our difficulty which has arisen and will arise in the future, in our opinion.

The PRESIDENT: I should suggest that it should come on as Sir Wilfrid Laurier suggests, immediately after the discussion on the Imperial Council.

Mr. FISHER: We have no objection to its coming on after these important matters have been discussed.

Mr. HARCOURT: You would like it taken really on Thursday, 1st June, the following sitting.

Mr. FISHER: Yes.

The PRESIDENT: I do not suppose anybody would object to that at all; it was not put there because it was regarded as unimportant. What we wanted was to secure the presence of the Foreign Secretary, as we are leaving that to him.

Mr. FISHER: I quite appreciate that, but I thought it advisable to raise the point.

The PRESIDENT: Quite right.

Mr. HARCOURT: I suppose it might be left open for the moment in order that I might consult the Foreign Secretary as to his being able to attend before that date?

Mr. FISHER: On or about that date.

The PRESIDENT: Yes.

Mr. HARCOURT: Before we leave the Agenda, I again repeat what I said to the members of the Conference yesterday, that it is proposed with their concurrence, to send to the Press a verbatim and unrevised report of the speeches at the opening of the Conference to-day; and also, of course, the Vote of Homage to the King.

Sir JOSEPH WARD: That does not refer to the debate on the question of the admission of the Press?

Mr. HARCOURT: No, we stop at that point; and then the summary begins.

The PRESIDENT: If there is any other comment upon the Agenda, or any desire to transfer subjects from one place to another, this would be the best time to raise it.

Mr. FISHER: Perhaps, Mr. Asquith, this would be a convenient time to raise a question that will arise sooner or later: whether the Ministers with the Prime Ministers will speak after the Prime Minister, or whether they will speak after the other Prime Ministers have spoken. That is one of those little details which had better be settled beforehand.

Sir WILFRID LAURIER: I would say they should speak when the spirit moves them.

The PRESIDENT: I think we should have a very free discussion.

Mr. FISHER: I shall be delighted.

The PRESIDENT: If anybody has anything to say at any stage, let him say it.

Mr. FISHER: Thank you.

General BOTHA: How about the appointment of committees for the committee work?

The PRESIDENT: Sir Wilfrid suggests that we should postpone that, and that each of the subjects should in the first instance be mooted here and then the Conference will decide whether to refer it to a committee or not; because it is possible that we may find it can be disposed of at once.

Sir WILFRID LAURIER: Any question it is suggested should be brought up here first, and then be referred to a committee if necessary.

The PRESIDENT: When they are obviously technical, no doubt it would be the wish of the Conference to refer them to a committee.

Sir D. DE VILLIERS GRAAFF: In connection with the Death Duties, and so on, you would require some statistics. If a committee is set up immediately or soon, they could go into the details and get information; otherwise if we come to the discussion here on the 9th June, or on the 8th, our time might be unnecessarily occupied.

Mr. HARCOURT: That was the object of suggesting committees now which would meet the Chancellor of The Exchequer and the permanent head of the Treasury to go into technical points. It is the wish of the Conference that the Dominions raising these particular questions should be put into communication with the Treasury over these matters at once?

General BOTHA: Yes.

Mr. HARCOURT: And equally the other matters, I suppose, which are under the Board of Trade for June 1st and 2nd.

General BOTHA: Yes, that will satisfy us.

The PRESIDENT: It would be a great saving of time if we could thresh them out informally with the Departments in advance. That would prepare the ground.

Mr. HARCOURT: It is possible that in the discussions some of them might become eliminated and need not come before the Conference.

The PRESIDENT: If that is approved, we now come to the resolution in the name of the Government of New Zealand with regard to the Imperial Council.

IMPERIAL COUNCIL.

"That the Empire has now reached a stage of Imperial development which renders it expedient that there should be an Imperial Council of State, with Representatives from all the constituent parts of the Empire whether self-governing or not, in theory and in fact advisory to the Imperial Government on all questions affecting the interests of His Majesty's Dominions oversea."

Sir JOSEPH WARD: Mr. Asquith, I wish to ask the permission of the Conference to amend the motion, by striking out the words "or not" after "self-governing" in the last line but one. I want the motion to read: "That the Empire has now reached a stage of Imperial development which renders it expedient that there should be an Imperial Council of State, with representatives from all the constituent parts of the Empire"—I desire that the words "whether self-governing or not" come out.

Mr. FISHER: The words "whether or not."

Sir D. DE VILLIERS GRAAF: You want "self-governing" before "parts?" and to strike out the words "whether self-governing or not." So that it will read "with representatives from all the constituent self-governing parts of the Empire in theory, and, in fact, advisory to the Imperial Government on all questions affecting the interests of His Majesty's Dominions oversea."

The PRESIDENT: "From all the constituent self-governing parts of the Empire."

Sir JOSEPH WARD: Yes.

Sir D. DE VILLIERS GRAAFF: You want "self-governing" before "parts"?

Sir JOSEPH WARD: Yes.

The PRESIDENT: You do not want that word "constituent"—"from all the self-governing parts of the Empire."

Sir JOSEPH WARD: Perhaps that would be better.

The PRESIDENT: The effect of it is to omit from the scope of your proposed motion what we call the Crown Colonies and India.

Sir JOSEPH WARD: That is so. Mr. Asquith and Gentlemen, in submitting this resolution to the Conference I would like to say that I am not going to pause for a moment to consider whether England or her Colonies should attempt to devise a scheme. The matter is of too intense importance to stand over on any such ground as that; but I want to remind the Conference of the fact that a former Secretary of State for the Colonies, Mr. Joseph Chamberlain, invited suggestions from the oversea Dominions, with a view to evolving some scheme that might be satisfactory to the Empire as a whole in connection with the subject I have now the honour to deal with. It is the duty of every part of the Empire to assist in devising some method for closer unity, and it is not necessary for me, as I have already said, to make the least apology for endeavouring to do my best to suggest lines which, if properly shaped, would in my opinion effect the purpose of a greater Imperial solidarity.

Now, what I propose to ask the Conference to deal with is:—1st, Imperial Unity; 2nd, Organised Imperial Defence; 3rd, The Equitable Distribution of the burdens of defence throughout the Empire, and, 4th, the representation of self-governing oversea Dominions in an Imperial Parliament of Defence for the purpose of determining Peace or War, Contributions to Imperial Defence, Foreign Policy so far as it affects the Empire, International Treaties so far as they affect the Empire, and such other Imperial matters as may by agreement be transferred to such Parliament.

I feel persuaded that it is recognised by every representative at this Conference, that to-day there is need for better organisation, and I propose to make it as clear as I can that the necessity for greater organisation to enable such matters as I have just indicated to be dealt with by the Conference, can be borne out by facts. It cannot be denied that in some respects there is a trend, particularly in the settlement of some of our countries, and in the extraction of people from this Old Country, which has tended to weaken the old land, and, while giving strength to the newer land so far as numbers are concerned, to do nothing to increase the Imperial unity to which I have just referred. We want to prevent this in the future in connection with the various outstanding portions of the British Empire.

The growth of the oversea Dominions is in some respects so remarkable that it calls for the very greatest consideration on the part of the representative men both from those countries and in the older country, in order to prevent the difficulties arising in the years to come which then would be almost impossible of settlement, but which, if taken early in our development, may be prevented from arising. These cannot at the present moment be called acute because our populations to some extent are limited.

Now, it is an under-estimate when I say that in the oversea Dominions there are to-day 13 millions of white people. There are in all probability about 15 millions, but I prefer not to in any way overstate the position; and I want to call attention to the enormous importance to the United Kingdom of the policy of exporting people to those countries to-day. Scotland has increased its population less in the last 10 years than New Zealand has, and some 50,000 Scotsmen are leaving the Clyde within the next four months to settle in some of the oversea Dominions. The territory represented by my friend, Sir Wilfrid Laurier, is increasing its population at the present time by about 650,000 per annum.

Sir WILFRID LAURIER: Quite that amount.

Mr. FISHER: What does it do with them?

Sir JOSEPH WARD: At present I am referring to the increased population from the United States of America and elsewhere; I speak subject to correction, by Sir Wilfrid Laurier, but from the information I was able to obtain, the natural increase of Canada appears to be 250,000 per annum, and, as far as I can judge, the figures show that those coming from all outside quarters number about 400,000, which makes 650,000.

The PRESIDENT: Is that right?

Sir WILFRID LAURIER: I counted the immigration as 400,000.

Sir JOSEPH WARD: The immigration is 400,000 and the natural increase 250,000. You will see the point of the argument I propose to place before the Conference presently. That is an annual increase, at the present rate, of 650,000. The population of Canada at present I put down at 8,000,000, it is probably more, and if the present rate of increase continues for the next 25 years, I am not very wide of the mark when I affirm that in 25 years from now Canada will have upwards of 30 millions of people. In fact, I think, judging from the figures I have investigated,

it would be nearer 40 millions than 30 millions. This I base upon the assumption, which I have a reasonable right to expect, that the drawing power of Canada at present of people from outside, representing in round figures 400,000 a year, is likely to go on for many years to come. I hope from the Canadian point of view it will be so, and that the natural increase will not be less than the 250,000 per annum which it is at the present time. Under these circumstances I consider I am pretty right in assuming that in 25 years from now Canada will have at least 30 millions of people.

I make this statement for the purpose of showing where the oversea countries are going to get to in 25 years from now. I need not go into any details concerning any of the other great oversea Dominions, Australia or South Africa or New Zealand The proportion of increase there, by comparison with Canada, which is situated so close to this Old Country, cannot be expected to be so great; but within the next 25 years—I am certain there is no practical man sitting at this table will contradict the statement—that the combined populations of the oversea Dominions will be very much greater than the population of the United Kingdom and Ireland, which I put down at 45 millions. Then if the calculation that I make regarding Canada is correct, and I support it with all sincerity—one of the problems that the people who are controlling the destinies of the British Empire will have to consider before many years go by, is the expansion of those oversea countries into powerful nations, all preserving their local autonomy, all interested in seeing that their people are governed to suit the requirements of the people within their own territory, but all very deeply concerned in keeping together and entering into co-operation with the whole Empire, by means of some loose form of federation in the general interests of all parts of it. Because, after all (and Mr. Asquith, in the course of his admirable speech earlier to-day) made a similar statement in better language than I can use, at the present moment it is sentiment that is keeping the whole of us together. There can be no doubt in the wide world that it is sentiment and sentiment alone, and a very fine sentiment it is; but if we remember that all the countries are drawing what I may term a cosmopolitan population to them from places outside British territory, we have to realize the fact that in the oversea countries the tendency of this very cosmopolitan character, so far as population is concerned, is to present in all parts of the British Empire in the years to come a problem of a very serious nature. There is certainly to-day a tendency for people of a different tongue to ours to emigrate to the attractive oversea Dominions.

The experience of the United States of America ought to impress upon us the tremendous change that can take place in a country in a comparatively short period of years according to the class and nationality of its immigrants. It is only 50 years since America had less than half its present population. In 1848 the American population was almost wholly Anglo-American, and to-day over 50 per cent is of foreign birth or extraction. New York itself to-day possesses 80 per cent of foreign element, and Chicago possesses 66 per cent of foreign element. Now 50 years in the history of the United States of America is not a very long time.

The PRESIDENT: By "foreign element" you do not mean people born abroad, you mean either born abroad or descended from these born abroad.

Sir JOSEPH WARD: That is so; but I want to emphasize the fact that in the case of those born in the country, even although their parents and grand-parents may have been foreigners, their is an element of attachment to their native country, which must be considered when you are dealing with a matter of this kind. I am pointing out, however, that the history of the United States goes to prove that questions of great racial interest must arise in connection with the development of the oversea Dominions in the course of the next 25 years, unless our growth and development, or our environment, or our circumstances are so essentially different from

what they were in the United States of America years ago, as to preclude the possibility of a problem such as I am indicating arising for the men of both the Old Country and the newer countries in the years to come. I feel, as the result of studying the matter and reading the history of the different countries, that the statesmen will have to deal with this problem in the years to come, as assuredly as we are sitting round this table.

But sparsely-populated countries of to-day (I refer to the oversea Dominions) cannot be measured by anybody on the score of their present populations. If a country is to be measured upon the score of its population, on the score of its numbers, then, as a matter of fact, we ought to put China before every other country of the world, because the Chinese population is estimated by those qualified to give an estimate, at between 450 millions and 500 millions.

The PRESIDENT: That is not true, is it? There are not as many Chinamen as that, are there?

Sir JOSEPH WARD: That is the last estimate I was furnished with.

The PRESIDENT: I understood the general opinion now was that all those estimates were very much exaggerated, and that the tendency was rather to diminish all the Chinese totals.

Sir JOSEPH WARD: That may be so, Mr. Asquith, but the last estimate I received was from one of the Chinese representatives, who in conversation with me a short time ago, told me that they estimated their population at between 450 and 500 millions, and that was within the last six months. I have, however, for the purposes of my argument, no objection whatever to reducing the numbers by 100 millions, or even more if necessary. It is the oversea Dominions to which I am alluding particularly, and I want it to be understood that I am specially referring to New Zealand. In making allusion to the other oversea Dominions, I am sure there are no representatives here who will do otherwise than recognize that in speaking of a matter of this kind one may without in any way derogating from the work they have to perform, make allusions in a general discussion upon this matter to any of the British Dominions without in any way attempting to put oneself in the position of speaking for any other country than one's own. But in dealing with this general question of the population in the oversea Dominions, I want to re-emphasize the fact that to-day our populations in all those countries are very small. If, with 13 millions of white people in countries that are so huge, so capacious, which present such fields for the settlement of people in the years to come, we were to deal with the matter upon the basis of the population of to-day, we would be misleading ourselves, and we would not be in a position to estimate whether it is right or necessary, either now or in the years to come, to have some different organization for the protection of the general interests of the whole of them in matters that are of Imperial concern, or of Empire concern.

We have to judge of the position partly on a population basis. We have also necessarily to take into consideration the intelligence of the people who occupy the territories; and we also have to be guided by the areas available for expansion. Now Australia to-day is the size of Europe, nearly; and South Africa is nearly as great. Canada is much larger than the United States of America. And all these areas are governed by men who are inspired with the very strongest British instincts and with a great desire to see their countries carried on in the general interests of the people whom they represent; but all the time with an attachment to the Empire as a whole. We are all in that happy position. I am speaking from the standpoint of those here representing British countries with British sentiments, with British ambitions, and with the desire to see the future, as they evolve from their present state, as far as population and defence are concerned, strengthened and not weakened owing to the

absence of some organized system of co-operation upon Imperial matters. I am anxious to see some system in operation that will enable all over-riding important Imperial questions to be dealt with in the general interests of all without interfering locally with any of the ambitions or wishes of our free people.

Sir WILFRID LAURIER: May I interrupt you?

Sir JOSEPH WARD: Certainly.

Sir WILFRID LAURIER: I did not catch exactly what argument you are endeavouring to draw from the fact that in Canada as well as the United States of America the population will be recruited from foreign elements.

Sir JOSEPH WARD: I did not say exactly that. I do not apply the argument specially to Canada, but to all the oversea Dominions. What I say is that the tendency with all of us is to have a proportion of people with a tongue different to our own, drawn from other countries on account of the attractiveness of our countries for settlement purposes, and as the years go on none of us can tell what proportion it may be or to what extent it may minimize our desire to see that our countries are maintained as strong and as vigorous as they are now. I think that applies to all of us.

Sir WILFRID LAURIER: I understand you think that the character of the population should be an Imperial question.

Sir JOSEPH WARD: I am not, of course, in any way reflecting upon any other nationalities outside of our own, quite the contrary; but what I am trying to convey is this: that to-day, when we all are strong on the point of British territory, and have the great majority of the people in our countries British, what is now possible in the way of organization will, in 25 years from now, or even 10 years, be more difficult of accomplishment than it is to-day.

Sir WILFRID LAURIER: But if I understand you aright you say that the country would be flooded by those outside people, and so become less British than it is to-day, and possessed of a different spirit.

Sir JOSEPH WARD: If a majority got into our countries, it would be so.

Sir WILFRID LAURIER: I do not admit this conclusion at all; but I only wanted to understand your argument, and I understand it now.

Sir JOSEPH WARD: My opinion is, that if a majority, or a very large proportion of these foreign people get in, it will have a weakening tendency.

I was referring to the area, to the size of the different oversea Dominions. I have already pointed out that we do not measure a country by its population, and I was pointing out the areas of Canada, South Africa, and Australia that are available for the purposes of settlement. Practically within a century the population of the United States of America, which has been drawn from all parts of the world, has grown to over 90 millions of people. Since 1848 it has increased by about 50 millions; and to-day the United States of America may in round figures be said to possess about 100 millions of people. Speaking in a general sense, but subject to the greater knowledge of the gentlemen who represent the other countries, I should say that the prospective possibilities of the Dominion of Canada for settlement purposes are not less than those of the United States of America, and that it also is capable of holding 100 millions of people in the future. To use the expressive words which I once saw published as having been spoken by Sir Wilfrid Laurier: "This is the Canadian century—the last one was the American century." In saying that he was referring to the flow of immigration to the respective countries and to the benefits which

naturally follow increased population. Now I also say that Australia is capable of holding 100 millions of people. But considering its comparatively small population to-day it may be a great number of years before even the position that the great Dominion of Canada has attained to now is reached by Australia. Notwithstanding its huge areas and the possibilities of settlement in the future it must be some time before the population of the Commonwealth reaches 100 millions.

I believe, however, as the result of examination, and the result of contrast with other countries, that Australia is capable of holding 100 millions of people, and, I think, too, I am right in saying that South Africa is as capable of holding 100 millions of people as either of the two other countries. I judge very largely upon a close analysis of information which I have regarding these countries, and I believe it is not an exaggerated view to take that those three Dominions to which I have just referred, the Dominion of Canada, the Commonwealth of Australia, and the Union of South Africa, are capable of holding three hundred millions of people, and by comparison with some of the other overcrowded countries to carry them with greater comfort; and certainly, there is room, judging by their areas, for a population of the number to which I have just alluded.

The Dominion of New Zealand is, in the opinion of many well-qualified men, and I hold the opinion myself, capable of carrying forty millions of people with comparative ease and with comparative comfort, judged by what it can produce, what it can supply, and the general favourable climatic conditions of the country. But I want to take the opportunity of saying, and I believe no statesman here in this country or in any other country will dispute the view I put forward now, that class and character of a population is of far greater importance to our own Empire than material matters of money or property or things of that kind; that we are more concerned with the settlement of our respective countries in a proper way than we possibly could be expected to be with matters of the material kind to which I have just referred.

In my opinion unless the question of emigration and immigration is treated Imperially, and the most anxious care is taken to keep our people within our own Empire, we will to some extent dissipate our national strength in the future if we spread the best of our population among other and in some cases alien countries, and *draw* our supply of immigrants for the oversea Dominions from foreign sources. I believe that what is required to prevent this is a well-devised scheme of emigration and immigration, and that it is necessary for all portions of the Empire, that is the United Kingdom and Ireland and the self-governing Dominions, to have some properly constituted authority with sufficient powers to enable them to carry on a work of this kind. At present, with the loose and the almost unrelated sections of the British Nations which we know as the Empire, the loss of population from the United Kingdom to one or the other of the Dominions is almost as great as if it went to a foreign country. I wish to try to point out what is passing through my mind upon this point, because, in my opinion, it has a very important bearing upon the extraction of the large numbers of people from the older country and their settling in our own countries. For instance, if there is a transfer from the United Kingdom to any of the oversea Dominions, it means a loss of population which cannot be made to share any of the burdens of the Empire. Once a proportion of the population from Scotland or Ireland, or England, as the case may be, passes beyond the shores of the United Kingdom, and is placed in any of the oversea Dominions, they cease in any way whatever to be liable as contributors, as they were before they left this country, to the financial requirements of the Empire.

Mr. PEARCE: Not of the Empire?

Sir JOSEPH WARD: I will deal with that later on. Take the case of the millions who have left the Eastern States of America, and have gone, say, 4,000 miles

westward. Although they are possibly under laws as different from the laws they left as it is possible to imagine, after going that 4,000 miles from the East to the West, in that territory they still remain citizens of the United States, and they still remain contributors to whatever is required within the area of the United States. Although numbers of those people have travelled in that 4,000 miles as great a distance as from here to New York, or from here to Canada, or from here perhaps to some other countries, they continue their liability in the shape of contributions to the Federal National burdens, and those people are available immediately for the maintenance and the defence of their Union.

In my opinion the development of an Imperial Emigration system can only be successfully carried out if there is, as a pre-essential, an Imperial Federal Scheme under the administration of an Imperial Council. I recognize the enormous difficulties that are standing in the way of a proposal of the kind I am endeavouring to sketch to the Members of this Conference; but, speaking in perhaps a descriptive way, I may say that there are to-day hearts throbbing all over the Empire for closer attachment to the Motherland. I know that I can speak for my own country and speak deliberately for it and say that that is the case there, and that we New Zealanders recognize that the great silken thread which binds us all together is based on sentiment; they all recognize the tremendous importance of that and so do I. But, in my opinion, that is not sufficient.

I want to call attention to what the position in Germany was not so many years ago, quite within the knowledge of everybody around this table. When they had their separate militant States existing there, that country was not nearly as strong as it is to-day. The federation of the States has really created the Fatherland and it has made Germany a great Power compared to what it was before. In my opinion, too, the same thing applies to the United States of America; it applies to the great Dominion of Canada, it applies to the Commonwealth of Australia. They are all immensely stronger as the result of federation. It certainly applies to the United States of America and we have examples in those countries where, while preserving the rights of the individual States and the full control of the legislation that exists in them, we find them very much more powerful through co-operation; there is more cohesion and more strength, from any point of view you like to name, than was the case before that alteration was brought about.

The difficulties surrounding a proposition of the kind I recognize, and I want, in trying to deal with an important matter like this, first to look at the difficulties and see if they are insuperable. I fully realize that the proposition I am about to make may be open to the most destructive criticism from the point of view of those who do not see eye to eye with me regarding them.

The PRESIDENT: If I may interrupt you for a moment, am I not right in saying that the instances you have just given us are instances of continuous territory surrounded by what I might call a ring fence?

Sir JOSEPH WARD: Yes. Of course they are all continuous areas undivided by oceans.

The PRESIDENT: Germany and the United States of America.

Sir JOSEPH WARD: They are instances of continuous territory surrounded by, figuratively, a ring fence; but I want to point out, Mr. Asquith, with all deference to you, that there is no parallel in the world for the position that the British Empire occupies to-day; there is no place where British territory divided by thousands of miles of sea is the area in which alterations have been made, nor, as far as I am aware, is there any precedent that can be used as a parellel for those oversea countries whose existence to a very large extent is part and parcel of the great Old

World itself and whose circumstances are chiefly dependent upon questions of Imperial defence and their relations to foreign policy, which affect them most vitally, although they have no voice within. There is no parallel to the position which the British Empire occupies to-day.

I was endeavouring to explain regarding what these countries had done; that though they are landed territories, their federation, beyond all question, materially strengthens the whole of them. The difference between them and us is that we are British territory with independent government, with independent people of the same race and with the same aspirations, but our position is such that we are divided by great distances of ocean. Unless, however, we do something in the direction of having co-operation in times of peace, particularly with a view to our protection in times of war, unless we recognize the tremendous responsibilities devolving upon us in those respects, then a comparison with any of the landed territories has perhaps no special bearing on the point, and my argument loses its application, but I hold the mere fact of our comprising both sea and land does not get over the fact that we are still one Empire. Here I want to recall the circumstances in connection with the meeting of the representatives of the 13 States of America who for months met in the different States and finally overcame their difficulties. Those difficulties were, in my opinion, greater than those that confront us to-day. They devised a scheme of confederation or co-operation which welded the 13 colonies into one nation, and it laid the basis of a commonwealth which has grown in unity of population until to-day its population is about double, if not more than double, that of the United Kingdom. The difficulties that confronted them were so great, the differences due to racial and other reasons were so perplexing, that such heroic souls as Franklin began to feel the task hopeless. These were the men who, having almost exhausted patience and human ingenuity, were finally able to bring about a system of co-operation, which, though it has faults in constitution no doubt, as is the case with most of the countries which have a constitution—the Old Counry has not got one, so it is all right in that respect—yet those faults, whatever they may be, can be looked upon as minor ones, because there is this case of stupendous difficulties overcome by men driven to such a state that the suggestion was made that the great purpose they had in view could only be effected by an appeal to Heaven. At all events, they got over the difficulty, and we have the experience of the period of years to which I have just referred, to show that what was looked upon as an almost insuperable task, the devising of a scheme to bring union about, was successfully accomplished, with the result that under that union one of the most powerful countries in the world exists to-day without any serious trouble having been caused to the individual portions of it.

The transference of people from one portion of the Old World to other portions of it, the drawing away of people from the Old Country, though of benefit to those who get the support of people from here, has a side to it which might be said to disturb any spirit of complacency. One can recall the fact that in 1894 one of the leading nations in Europe exported 26 out of every 10,000 of her men, but by 1907 she had succeeded in stopping that and in keeping her population upon her own soil to such an extent that she then exported but four out of every 10,000 of her men. During that same period in 1894 this Old Country exported nine only, as against the 26, out of every 10,000 men; but in 1907 these figures had risen in Great Britain to what I call the alarming number of 40 out of every 10,000. These figures impress me to such an extent that I would point out that between 1903 and 1907 the increase of men leaving England for other countries, largely foreign, was 61 per cent. If we had a proper system of Imperial emigration and immigration I believe a large proportion of that 61 per cent that went away from this country would, in the great majority of cases, have gone to British countries. I use the two terms

"emigration" and "immigration" because there is such a thing as emigration from one of the oversea Dominions to another, and there is thus an exchange of people between the different Dominions.

Mr. BATCHELOR: Most of them went to the United States.

Sir JOSEPH WARD: Yes, the great majority of them went to the United States; some of them went to Mexico, and so on. I cannot possibly finish what I wish to say upon this subject by half-past one.

The PRESIDENT: Would this be a convenient point for to break off?

Sir JOSEPH WARD: Yes.

Adjourned till Thursday next at 11 o'clock.

SECOND DAY.

Thursday, 25th May, 1911.

The Imperial Conference met at the Foreign Office at 11 a.m.

Present:

The Right Honourable H. H. Asquith, K.C., M.P., President of the Conference.

The Right Honourable L. Harcourt, M.P., Secretary of State for the Colonies.

Canada—

The Right Honourable Sir Wilfrid Laurier, G.C.M.G., Prime Minister of the Dominion.

The Right Honourable Sir F. W. Borden, K.C.M.G., Minister of Militia and Defence.

The Honourable L. P. Brodeur, K.C., Minister of Marine and Fisheries.

Australia—

The Honourable A. Fisher, Prime Minister of the Commonwealth.

The Honourable E. L. Batchelor, Minister of External Affairs.

The Honourable G. F. Pearce, Minister of Defence.

New Zealand—

The Right Honourable Sir Joseph G. Ward, K.C.M.G., Prime Minister of the Dominion.

The Honourable J. G. Findlay, K. C., LL.D., Attorney-General and Minister of Justice.

Union of South Africa—

General the Right Honourable L. Botha, Prime Minister of the Union.

The Honourable F. S. Malan, Minister of Education.

The Honourable Sir David de Villiers Graaff, Bart., Minister of Public Works, Posts and Telegraphs.

Newfoundland—

The Honourable Sir E. P. Morris, K.C., Prime Minister.

The Honourable R. Watson, Colonial Secretary.

Mr. H. ... Just, C.B., C.M.G., Secretary to the Conference.

Mr. W. A. Robinson, Senior Assistant Secretary.

Mr. A. B. Keith, Junior Assistant Secretary.

There were also present:

Lord Lucas, Parliamentary Under Secretary of State for the Colonies;

Sir Francis Hopwood, G.C.M.G., K.C.B., Permanent Under Secretary of State for the Colonies;

Sir C. P. Lucas, K.C.M.G., C.B., Assistant Under Secretary of State for the Colonies;

Rear-Admiral Sir Charles Ottley, K.C.M.G., M.V.O., Secretary to the Committee of Imperial Defence;

Mr. Atlee A. Hunt, C.M.G., Secretary to the Department of External Affairs, Commonwealth of Australia;

Commander S. A. Pethebridge, Secretary to the Department of Defence, Commonwealth of Australia;

Mr. J. R. Leisk, Secretary for Finance, Union of South Africa; and

Private Secretaries to the Members of the Conference.

Imperial Council.

"That the Empire has now reached a stage of Imperial development which renders it expedient that there should be an Imperial Council of State, with Representatives from all the self-governing parts of the Empire, in theory and in fact advisory to the Imperial Government on all questions affecting the interests of His Majesty's Dominions oversea."

The PRESIDENT: Will you resume your remarks now, Sir Joseph?

Sir JOSEPH WARD: Mr. Asquith, the adjournment on Tuesday interrupted the introductory remarks which I felt it necessary to submit in explanation and justification of the more definite proposals that I intend to make. I would like to summarise what I have already said.

I have endeavoured to impress upon the Conference the enormous changes in the relationship between the self-governing oversea Dominions and the Mother Country, which have been consequent upon the rapid growth and the extension of the Dominions; and in this connection I also impress the obvious fact that the rapidity of that growth and extension, already seen, will continue at an even accelerated speed in the future.

These changes, I submit, demand a change in the Imperial relationship heretofore existing between the United Kingdom and her self-governing dependencies.

The people of these dependencies are not yet citizens of the Empire. This full franchise as yet has not been conferred, and the whole question is—is not the time now ripe for the consideration of conferring it?

The question becomes urgent and emphatic when we remember that at least two of the greatest of these Dominions have in some measure already embarked upon a naval policy of their own—a course to which the Motherland has offered no objection. I, as representing New Zealand, of course do not, and could not, offer any objection, though I am entitled to discuss and criticise the course taken, in order to emphasise the need of some Imperial Council properly accredited to co-ordinate and harmonise these policies of naval defence, and of the still greater question of naval supremacy.

Does the Conference fully appreciate what has happened so quietly, because the relations between the Motherland and Canada have been so harmonious? Canada has, in recent years, grown into a strong nation—no longer in a state of tutelage, sheltering behind the protection of the Motherland. Canada, feeling that she has passed through infancy to full manhood as a nation, has originated and made law a naval scheme for the creation and maintenance of a local navy, a navy not only to be maintained and controlled by the Canadian Government, but a navy which is not to participate in an Imperial war unless Canada herself approves of that war.

Under the existing system, the rest of the Empire, consequently, might be at war, and the Canadian Navy withheld from it, and inactive. But I want to impress the fact that the Empire cannot be at war and Canada at peace at the same time.

Any war to which the statesmen of the United Kingdom commit the Empire involves Canada, as well as New Zealand, and all other portions of the Empire, and from the point of view of international law Canada is as much a part of the Empire as England.

I would ask the Conference to look facts broadly and candidly in the face, and if independent naval policies, such as I have referred to, are to continue on the part of the oversea Dominions, I express the sincerest conviction of my mind when I say that this does not make for a strong position in connection with the Imperial ties being maintained and upon which, in my opinion the whole Empire's material interests now rest.

I have explicitly called the scheme I propose to outline an Imperial Parliament of Defence. Defence is above all other questions the one in which every part and subject of the Empire is vitally concerned.

The PRESIDENT: Just a moment. The words used in your resolution are: "An Imperial Council of State"; you spoke just now of an Imperial Parliament of Defence. I do not find any such phrase in the resolution.

Sir JOSEPH WARD: I do not mind what the name is—an Imperial Council of State or an Imperial Parliament of Defence, or a Defence Council.

The PRESIDENT: They are practically synonymous, you think?

Sir JOSEPH WARD: Yes. Perhaps I ought to use the term Imperial Council of State. Defence is above all other questions the one in which every part and subject of the Empire is vitally concerned. It is the great vital topic which can be treated only by a proper Council of State. I am going to assume that this is obvious, and I will not occupy the time of the Conference by arguing the matter. But I want to express my firm conviction that the course both Canada and Australia have taken is one which the present relationship between them and the Motherland almost compels them to take.

If Canada were to contribute to the Imperial Navy the very large sum she has provided on her estimates for a building programme, a naval college and annual maintenance, amounting to some millions of pounds sterling—if she were to contribute this or any other great sum yearly to an Imperial Navy and the question of war or peace arises, she would find herself with no more voice, under the present system, in determining whether the Empire should go to war or not than if she were the smallest dependency of a Foreign Power. Consequently, under the existing system and on these assumptions, Canada would not only witness herself being committed to all the perils of warfare, but she would witness the ships and armaments created out of her great contributions devoted, without her consent or approval, without the right to a voice at all to the perils of belligerency.

I have taken Canada merely as an illustration; but under the existing system every other oversea Dominion would be in precisely the same situation.

New Zealand is, at present, content to make an unconditional annual contribution of money to the Imperial Navy. As time proceeds, and as our means increase, we look forward to substantially increasing this aid; but what I desire to impress at this moment is the point that if the whole of the oversea Dominions are to place themselves under tribute to the Imperial Treasury for the creation and maintenance of an Empire Navy, they surely are entitled to some voice—proportioned, it may be, to their size and contribution—in such a vital question as peace or war.

Consequently, it seems to me that the question of an Imperial Council of State, or Defence, more vitally concerns the United Kingdom than it does the oversea Dependencies; Canada, Australia, South Africa, and New Zealand can, and cheerfully will if necessary (of course, I am speaking entirely on behalf of New Zealand) go on under the existing system providing for their own defence in the way which

seems best to them; but can the United Kingdom survey a course with complacency under the growing burdens which the maintenance of her naval supremacy imposes?

In this great concern of Imperial Defence must there not be some kind of partnership between all parts of our great Empire? I hope it will not be regarded in any way as rudeness for me to say that England, witnessing as she has, and does, the magnificent growth in strength, wealth, and numbers of these oversea Dominions, will not forget that she does not, as in the earliest days of their existance, possess them—they are no longer Crown Colonies. They create with her an Empire, and, allowing for power and numbers, they belong to that Empire just as she does. It is a family group of free nations. England is the first among the free nations, and, consequently, changes during the last three-quarters of a century,, in my opinion, demand that the old relation of "mother to infants" should cease. The day for partnership in true Imperial affairs has arrived, and the question which now emerges is upon what basis is that partnership to rest? It certainly cannot rest upon the present relationship. No partnership deserves the name which does not give to the partners at least some voice in the most vital of the partnership concerns; and what I am endeavouring to bring out is: how is that voice to be heard and how is it to be made effective?

I desire to avoid any minor controversial questions at this time; but I am entitled to express, as I do now, my profound conviction that if there had existed some true Imperial Council of State in which defence could be dealt with—I attach no importance to the name, whether it is an Imperial Council of State or an Imperial Parliament of Defence, or an Imperial Council—the separate naval policies of the two great Dominions to which I have already referred, would be to-day, if not non-existent, at least more completely harmonized and made integral with the Imperial Navy. In other words, had such a council existed, I am satisfied that for the expenditure these two great countries have committed themselves to more efficient protection would have been given by means of an Imperial scheme than by those which have been devised.

I trust that the members of the Conference will realize—and I want to avoid dogmatism in this matter—that I am expressing my personal opinion, as I have a right to do, and I feel quite sure that the representatives of none of the other Dominions, even those to which I am referring, will take exception to what I believe to be my duty in a matter of this kind, for naturally it is done in a strictly imperial sense, and without any way whatever reflecting upon the loyalty of those great countries.

I cannot avoid keeping before me the whole time, in connection with this important question of defence, the difficulties for regulating and controlling it. I recognize to the fullest possible extent the all-important question of the protection of the commodities and of the ships that cross the seas between the respective countries; and the more I have thought over this important matter from time to time and since I had the honour of first coming to this Conference, the more I realize the tremendous responsibility devolving upon all portions of the oversea Dominions in connection with the protection of British ships, British goods and British people travelling over the seas great distances between the respective portions of the Dominions. To a very material extent in my opinion, the local protection, however good it may be, for the separate portions of the Dominions concerned is not sufficient, is not adequate, and does not meet the condition of protecting the conveyance of oversea products to anything like the extent that it ought to do

For these reasons I recognize how difficult it is in a matter of this kind to expect any of the representatives of the oversea Dominions to re-discuss a line of policy which has already been assented to by them. My own views of the matter is, that we should have an impartial and effective organization created which would allow all portions of our British Empire to review what is necessary for the self-preservation of themselves and the protection of all portions of it on sea as well as on land; and, in my opinion, that can only be brought about by some organization created with the

goodwill, not of the representatives at this Conference alone, but finally, of the people in the respective countries concerned. I emphasize this because nothing that is suggested by me, or nothing that is carried by this Conference can be put into actual effect (so far as New Zealand is concerned I speak absolutely) without ratification by Parliament, and without in turn, Parliament recognizing that that ratification has to be endorsed in the ordinary way by the people at the elections which take place from time to time.

Now, in connection with the arguments that I am placing before the Conference upon this question of an Imperial Council of State, I consider that the different roads that the respective portions of the Dominions have taken regarding what they conceive to be best from their respective standpoints in the matter of naval defence—I would rather call them lines of national divergence—must, in my opinion, diverge more and more as these oversea Dominions develop to their full stature, unless British statesmen will set themselves to promote an Imperial partnership and some system of Imperial representation upon which, to my mind, such true partnership can alone subsist.

If there is any spirit of reluctance on the part of the Motherland, the oversea Dominions—or, at least New Zealand, for which I speak—will certainly not desire to obtrude themselves with this or similar proposals; but if we recognize that the hands of the Mother country are stretched out to us inviting a closer grasp by us, that closer grasp will follow and the deep and genuine spirit of closer union will dissolve the difficulties and rise superior to all the obstacles in the way of an articulate and organized unity. What is first wanted is the will; the way, I am satisfied, can be found. If the United Kingdom desires an Imperial partnership and it meets with the concurrence of the overseas Dominions, then I believe it is the proper function of the Conference, with the eminent statesmen of the Motherland here at this table, to join with myself and those who think with me in encouraging and assisting to devise a workable scheme.

Mr. Asquith in his opening speech spoke eloquently of the development of our Empire along the broad ways of British liberty, and in this connection emphasized the elasticity and flexibility which marked our constitution and our institutions. I recognize as fully, I hope, as he how true those words are. A rigid constitution does not suit the genius of our people, but a rigid constitution is one thing and the entire absence of any definite Imperial system is another. I recognize that there must be given up by the constituent self-governing parts of the Empire to any central Imperial Council only such power as is absolutely necessary to deal with questions essentially imperial in their nature, questions which cannot be dealt with satisfactorily or at all unless through collective deliberative action, and I would make the framework of the Imperial Parliament of Defence or Imperial Council of State as elastic as is consistent with efficiency and durability; but I am impressed with the belief that some such framework we must have. Mr. Asquith rightly preferred to ascribe the majestic development of the Empire rather to the genius of our nation than to the favour of Providence. I admit that there is a Divinity that shapes national destinies; but that Divinity can be profoundly assisted by the intelligent thought, foresight, and ingenuity of wise statesmanship, and I believe that never was a time in our history when a more splendid field has opened to that statesmanship than the present.

If we admit that the fate of the oversea Dominions, so far as living under the British Flag is concerned, is dependent upon Britain's supremacy on the seas, then we must admit that the defence of the Pacific (and in connection with the defence of the Pacific, I include Australia and New Zealand in that term) is as important as the defence of the Atlantic Possessions or of the Motherland itself. I am not mixing up in any sense whatever, in the proposals which I am about to submit to the Con-

ference, anything in connection with the land forces of the respective portions of the Empire; because I recognize——

Mr. FISHER: May I interrupt? I understood by the earlier part of your speech that co-operation in every way was involved.

Sir JOSEPH WARD: No; uniformity of system in every possible way in connection with the land forces I believe to be desirable, but I am not suggesting, in connection with the defence of the Empire, that there should be any interference by any one portion of it with any other in the matter of the system or of the methods of control of the local land forces.

The PRESIDENT: Is that to be excluded from the jurisdiction of the proposed Imperial Council?

Mr. FISHER: It must be under those words.

Sir JOSEPH WARD: That, I believe, should be left entirely with the Governments of the respective portions of the Dominions, who should make their land forces efficient in every possible way.

The PRESIDENT: That would still be a local matter.

Sir JOSEPH WARD: It would still be a local matter, because my belief is that in the event of a war arising, upon the sea particularly, every portion of the British Dominions is concerned for the protection of each of the other portions of the Dominions, and as part and parcel of the scheme of defence in all parts of the British Empire will, I have no doubt, in their respective administrations carry out the requisite conditions for making effective land forces. The protection of the interior of the respective portions of the Dominions is not, from the point of view of co-operation, by any means so important as the all-important question of naval defence of the sea routes of the Empire with its difficulties in many respects much greater than those of the land defence system. For instance, I take it that the Commonwealth of Australia, or the Dominion of Canada, or the Union of South Africa, or New Zealand itself, will in their respective Governments carry out upon land that scheme which they believe to be best calculated to support and protect their respective possessions and to support the first line of defence, namely, the Empire British Navy.

In order to make the point clear, in New Zealand we will shortly be able to turn out 80,000 trained men in addition to those men who from time to time form part of the ordinary reserve forces—not in the strict sense of the term a reserve force, but men who, while following their ordinary avocations, have qualified themselves to take part for the purposes of effective land defence. We expect to have a mobile land force of fully 80,000 men very shortly, and we hope to have for overseas work a very considerable number, 5,000 to 10,000 trained men, only to go outside of New Zealand voluntarily. So that from the point of view of protection of our own country, we ought to be able to make it impossible for a foreign foe, if one should ever attempt it, to land on our shores.

That is one of the matters we are able to carry out without the co-operation of any other portion of the British Dominions or of the British Empire. But we are not able to do more than give our support in such a way as we think best in the matter of the Empire Navy; we are only able to do our individual part, and we may at any time under the present system, as I have already said, be drawn into war or certainly the results of the war without consultation, without our people having a voice in it, whether we like it or not. We are immediately concerned in the results of any war upon the sea that may take place between Great Britain and any other country; we are concerned just as much as Great Britain is although our interests

are not as great. So, in my opinion, is every other portion of the British Empire; and it is with the object of co-ordination and co-operation and having a voice, even although in a minority, upon an Imperial Council of State, that I have ventured to put forward this resolution. It is with the object of allowing our people in our countries, who recognize their responsibilities and are prepared to accept them under existing conditions, to have some representation upon the Imperial Council. It is from the point of view of our people having no voice at present and there being no representative body appointed which can voice the sentiments of the Government of the day or of the people of New Zealand, that I am urging that it is necessary that we should effect some change as against the present system, which has done very well up to now, but which with the evolution, with the growth and with the development that is going on in various portions of the British Empire, does not, in my opinion, meet the present position as it should do.

I want to take this opportunity of alluding—and doing it without offence to the people who are in the East—to the policy of New Zealand in connection with the Asiatic questions. I would like to dispel any wrong impression as to the reason why the policy of New Zealand is averse to admitting Asiatics, even including those who belong to a nation in alliance with Great Britain. The basis of the policy of New Zealand is, that all the rights of citizenship are conferred upon every adult within our shores. We are entirely governed by our own people; we have spent millions of money up to date in educating them and, to a very large extent, at the State expense, to enable them to discharge the duties of citizenship; and why we object to allowing a large number of Asiatics into our country is, because, in the first place, we believe them to be entirely unfitted for the duties of our citizenship. As regards one great Eastern nation, we know in our country, and I presume it is within the knowledge of every man here, that the people of these nations are under obligations, enforced by oath, in the event of war arising, to take the side of their parent land even against the country they have made their home.

Now in connection with this all-important matter of an Imperial State Council, I want again to emphasize the fact that, underlying the proposals I am submitting, I place the Defence of the Empire as of the first consequence to all parts of it. That is why from the point of view of New Zealand I for one look forward with very great hope to the possibility, without in any way derogating from what any of the representatives of the oversea Dominion in the past have done, of naval co-ordination and co-operation, and of having a larger and more powerful oversea Navy than exists at present, with a view to preventing eventualities in the future: and also with the more important view, perhaps, of making for the peace of the whole world.

In the country I represent, we regard this Asiatic question as of intense importance. We realise the fact that we are not very far away from these Eastern countries, and we also recognise that there is tremendous room in our countries, unless we are excessively careful, for the introduction of many millions of people whom we would not desire to have within our territory at all. In suggesting for the consideration of this Conference an alteration which I know is difficult to bring about, and which I realise and want to say at once cannot be done in a hurry, I do not believe, myself, that we can have the full benefit of a great Empire naval system under existing conditions. I recognise the very powerful condition of the British Navy; but, I believe, out in our own seas (and I say this in the presence of the representative of the Australian Commonwealth) that the system Australia is carrying out is not by any means the strongest one nor the cheapest one, and consequently not the most effective one, that can be established for the benefit of their country.

Mr. FISHER: Which system do you mean, the new one or the old one?

Sir JOSEPH WARD: I mean the new one, the sea one; I am not dealing at present with the land one, which I believe to be as fine as possible. My belief is, that if

we could only get rid of the present method of disjointed action, if we could have some recognized system to which we were all agreed, if we could lay down a comprehensive system for the purpose of defence, some of the minor difficulties which stand in the way of the respective countries, and some of the major difficulties also which stand in their way, could be overcome and a much more effective system brought into operation that at the present time exists. I belive, myself, that if we had a system by which the whole of our countries gave a *per capita* contribution towards the cost of naval defence (and again I say I do not refer to land defence at all) we should meet all the local conditions in the different countries by having ships built there, by having naval docks built there, by having everything excepting the armament of ships provided in our respective countries. I believe we could do it far more effectively by giving a *per capita* contribution, and so help to protect our own countries and the oversea routes, which is not being done at present, and which, in my opinion, cannot be done by the present method. If we could arrive at a decision to adopt a *per capita* contribution from the respective countries the outcome would be a British Navy so powerful that the world would stand at peace probably for generations to come. Surely it is a matter worthy of the greatest consideration on the part of a conference such as this to bring about, if it is possible to do so, such a consummation?

Sir WILFRID LAURIER: Will you permit me an interruption here?

Sir JOSEPH WARD: Certainly.

Sir WILFRID LAURIER: Would this be in conjunction with your Imperial Council?

Sir JOSEPH WARD: Yes.

Sir WILFRID LAURIER: Are the two things not quite apart ,and could you not give contributions to-day without having an Imperial Council? I do not see the relevancy of it to the idea you are expounding.

Sir JOSEPH WARD: I suggest that the Imperial Council is the only way of providing that the voices of the different countries may be heard through their constitutionally elected representatives. The Imperial Council is the only way, I will not say to go back upon the policy of any of the Dominions, but it is the only way in which, in my opinion, a uniform system of co-ordination and co-operation can be achieved. That is my view.

Sir WILFRID LAURIER: But that is quite independent of the policy of contributions.

Sir JOSEPH WARD: I hope to show presently exactly what my proposal is.

Mr. BATCHELOR: You would have legislative power?

Sir JOSEPH WARD: It would require legislative power to enable it to carry out its functions.

The PRESIDENT: That is very important. Is it proposed that this Council should have legislative powers?

Sir JOSEPH WARD: I intend to explain presently what I think it should have.

The PRESIDENT: Mr. Batchelor asked the question, and I understood you to say yes.

Sir JOSEPH WARD: Yes, I propose that it should be created by legislation.

The PRESIDENT: Created by legislation, yes; but to have legislative power is a different thing.

Sir JOSEPH WARD: And that its powers should be defined by legislation.

Mr. FISHER: I understand you to say that it would have legislative powers as a constitutional body.

Sir JOSEPH WARD: Perhaps it would be more convenient if you would wait until I explain what it is I suggest should be done.

The PRESIDENT: While we are on the point that Sir Wilfrid Laurier put, which I should like you to give us a little further explanation about, the proposition which I understand you are making contemplates, when the Imperial Council is brought into existence, the establishment of a policy of what is called naval contributions on the part of all the different parts of the Empire. That would involve, would it not, the reversal of the new departure, as I might call it, which has taken place, certainly in Australia and Canada, of having separate local navies of their own. You contemplate that as a desirable possibility?

Sir JOSEPH WARD: I contemplate that the power should be given to the Imperial Council, which would, of course, include representatives from Canada and Australia, of providing uniformity of system as far as the sea defences of the Empire are concerned.

Sir WILFRID LAURIER: That would mean that the Council would fix the policy of Canada.

The PRESIDENT: It would impose a system. It is important that we should have that clearly in our minds.

Mr. FISHER: Would it have the power of coercion by a legislative Act or otherwise—that is the point.

The PRESIDENT: We shall come to that presently.

Sir JOSEPH WARD: I wish to make some further observations in connection with the defence of the Empire, and then I propose to show what I believe to be the way in which the different parts of the Empire should proceed in order to establish a system of government in connection with defence matters that would conduce to the best interests of the whole.

Mr. PEARCE: May I say this before you proceed? I understand that there is to be a meeting to discuss the question of naval co-operation?

The PRESIDENT: To-morrow.

Mr. PEARCE: I would point out to Sir Joseph Ward, that the remarks which he is now making will call for a reply, certainly from the representatives of Canada and Australia, because he is attacking the principle of a local navy, and in some way he is connecting it with an Imperial Council. I understand the interpolation by Sir Wilfrid Laurier was to get an understanding as to whether that was a condition on the Council; and I think we should have some assurance upon that point, otherwise we shall be compelled to defend the policy we are putting forward, and this seems not to be the time to defend it.

Sir JOSEPH WARD: I want to say at once that I am here, as I presume the other delegates are, for the purpose of freely discussing all matters affecting the Empire as a whole. I do not suppose for a moment that Mr. Pearce suggests that I am going to defer my observations upon matters of Imperial consequence to the portion of the world I represent until we get where I recognize secrecy is necessary upon some matters. I am fully cognizant of the fact that anything I am saying

here is subject to criticism, perhaps of the most destructive character, from any other representative at this Conference; but that is no reason whatever for its being suggested that I should not address to the Conference any line of argument which I consider necessary.

Mr. PEARCE: I think it necessary, in fairness to us, that we should know if that is put forward by you as a condition of the Council.

Sir JOSEPH WARD: By the time I have finished, I will have endeavoured to make myself as clear as I possibly can, and, of course, I quite recognize that what I am saying calls for a reply from other representatives here. I also recognize that, perhaps, the views I entertain may not be in accord with those of any other member of the Conference. But you will also realize that, even though he should stand alone, that fact should not deter one from expressing his sincere opinions upon matters which he considers to be of sufficient importance for every member of the Conference to discuss.

I must say, Mr. Asquith, that I am not attacking—I want to make that quite clear—either the Dominion of Canada or the Commonwealth of Australia. Quite the contrary. I recognize that the responsibility for the policy of those countries rests entirely with the Governments of the respective countries. I am trying, what I admit to be a difficult task, to point out how I believe the whole strength of the naval protection across the seas, irrespective of the sea-coast of all our countries, could be made very much stronger, and how the protection of all parts of the Empire could be made better by abandoning the present divided system. And my belief is that the only way in which that change could be brought about is by the creation of some authorized Council of Defence or Council of State, with the representatives of Great Britain, Canada, Australia, South Africa, New Zealand, and Newfoundland upon it, and giving them the necessary powers to deal with the question of naval defence, and of naval defence only, and the right to be consulted before they are committed to a war policy which may be necessary in the best interests of the Empire as a whole. The oversea Dominions are bound to be a minority of such a council, I recognize; but it is because to-day the people are not consulted, and cannot be consulted under the existing system, that I am putting forward this proposition. I recollect Sir Wilfrid Laurier himself on one occasion stating that Canada would have no voice in a matter of the kind, and that for that reason he took exception to proposals to have but one British navy. I think that is a strong position to take up, and it is one I take up myself.

Sir WILFRID LAURIER: The point of my observation was that you are advocating the creation of an Imperial Council.

Sir JOSEPH WARD: Yes.

Sir WILFRID LAURIER: You are advocating at the same time contributions. I do not see the relevancy of your argument towards the object which you have in view in addressing the Conference as to the Imperial Council. Contributions can be given to-day if any of the Dominions choose to do so. You have done it; other parties have refused to do so. Therefore I do not see the relevancy of it, except it also involves that this Imperial Council which you propose would have the power to fix the contribution, to which, for my part, I would very seriously object.

Sir JOSEPH WARD: In reply to Sir Wilfrid Laurier, Mr. Asquith, the point I want to make clear is this. It is quite true that any one of the oversea Dominions to-day may give a contribution; but they may withhold it; and it is quite true that in the event of any portion of the British Empire being drawn into a war, that one portion of the Empire might say, "I am not going to take part in it," and they need

not give a contribution, although under international law I think they could not avoid having the responsibility of being a belligerent put upon them. What I want to bring about is a uniformity of system for the preservation of the whole of our oversea interests.

Sir WILFRID LAURIER: That is to say, the Imperial Council could compel us.

Sir JOSEPH WARD: We should fix a basis upon which a contribution should be levied for sea defence in the general interests of the whole.

The PRESIDENT: Your suggestion is that the Imperial Council, unless it is to be a mere academic thing, it is to have the power of imposing that obligation?

Sir JOSEPH WARD: Quite so.

The PRESIDENT: Even on a dissentient Dominion?

Sir JOSEPH WARD: Mr. Asquith, at the present moment if England went to war all the oversea Dominion are directly affected by the results and that could happen without the slightest reference to either an assenting or a dissenting Dominion.

The PRESIDENT: We cannot get a contribution to the Navy without the assent of the Dominion.

Sir JOSEPH WARD: But you can involve them in war.

The PRESIDENT: That is another matter. I am speaking now of the naval contribution. Canada has never given us a naval contribution.

Sir JOSEPH WARD: I know that is so.

The PRESIDENT: And we have never attempted to exact one from her. Of course, we know our business better than that. I only want to understand, and I think the members of the Conference want to understand, what the length and breadth of the proposal is. Is it that, so far as regards what you call the uniform naval system, it should be in the power of this new body to impose *in invitum*, against a particular Dominion, a policy of contribution to which that Dominion would not voluntarily assent?

General BOTHA: And fix the amount?

The PRESIDENT: And fix the amount.

Mr. FISHER: By a benevolent revolution, I suppose?

Sir JOSEPH WARD: As a matter of fact, if the proposal is to establish an ineffective, nominal council which is going to hold out to the eye the prospect of doing something of interest to the Empire as a whole, if we are not to establish something that has got some power to do good to the Empire as a whole, it is far better to drop the whole thing. That is my opinion; we have to consider whether the time has not arrived, in the general interests of Great Britain and the whole of our oversea Possessions, when we should not have some uniformity of system of contribution, or whether it is to be left to the voluntary decision of those oversea countries whose requirements for protection by the British Navy are becoming greater every year. If we are not to have some effective system, then, as far as my judgment goes, all the efforts to bring about co-ordination and co-operation are to a very large extent in vain and a drifting apart must inevitably ensue.

I want to say again, and to emphasize it, that I am not foolish enough not to recognize that the proposals I am making are surrounded with very great difficulties. I realized that from the start: but that does not deter one from making them, if he

believes something in the direction he is advocating is desirable and that it may, in the future at all events, be brought into operation. For that reason my opinion is that there ought to be established an Imperial Council or an Imperial Parliament of Defence, in the interests——

Sir WILFRID LAURIER: There is a difference between a council and a parliament. What do you propose, a parliament or a council? I want a proper definition of what you mean, because you have proposed neither so far.

Sir JOSEPH WARD: I prefer to call it a Parliament of Defence.

Sir WILFRID LAURIER: Very well.

The PRESIDENT: That is a very different proposition to the one in your resolution. Your resolution is "An Imperial Council of State,"—nothing about defence—"advisory to the Imperial Government." It is limited, as I understand the resolution, to giving advice.

Sir WILFRID LAURIER: When it is started it is to be a parliament; who is going to elect that parliament?

Sir JOSEPH WARD: I will presently explain it.

The PRESIDENT: All I say is that that is not the resolution in any of those particulars.

Sir JOSEPH WARD: I would point out that the resolution is "with representatives from all the self-governing parts of the Empire."

Sir WILFRID LAURIER: But you say "Council." Is it a council, or is it a parliament? It is important we should know exactly what is the proposal.

Sir JOSEPH WARD: I prefer to call it a parliament.

Sir WILFRID LAURIER: Very good, then: now we understand what you mean.

Sir JOSEPH WARD: I prefer to call it a parliament, although I admit there is a good deal in the name.

Sir WILFRID LAURIER: There is everything in the name.

Mr. FISHER: Would it not be as well to amend your resolution on those lines?

Sir JOSEPH WARD: No, I do not propose to amend it; if it is necessary afterwards I should have no objection.

Sir WILFRID LAURIER: You propose a council on your resolution; but you advocate a parliament.

Sir JOSEPH WARD: You can call it a council if you like.

The PRESIDENT: We want to know what you call it.

Sir JOSEPH WARD: It is a Parliament of Defence that I am suggesting. I have no objection to its being called by any suitable name. I think perhaps at this juncture I will state my proposal—and then later on I will deal with one or two of the matters I was going to refer to just now.

I indicated in my opening remarks on Tuesday, that I would ask the Conference to deal with Imperial unity; organised Imperial Defence; equitable distribution of the burdens of defence throughout the Empire; representation of self-governing oversea Dominions in an Imperial Parliament of Defence for the purpose of determining peace or war; contributions to Imperial Defence; foreign policy so

far as it affects the Empire; International treaties so far as they affect the Empire; and such other Imperial matters as may by agreement be transferred to such Parliament. I suggested that the principles of the scheme should be: (1) That Canada, Australia, South Africa, New Zealand, and Newfoundland elect to an Imperial House of Representatives for naval Defence, one representative for each 200,000 of their respective populations; that is (approximately) Canada 37, Australia 25, South Africa 7, New Zealand 6, Newfoundland 2. That is a total of 77.

Mr. MALAN: You have only taken the European population, then?

Sir JOSEPH WARD: Entirely so, the white population.

Mr. MALAN: Why?

The PRESIDENT: Do you not make any allowance for the coloured population?

Sir JOSEPH WARD: I understood that when you were framing the South African Constitution you refused to give the coloured population there the right to vote. Speaking generally, you could hardly expect in connection with an important proposal such as this, that a departure should be made so different to what has been carried out in South Africa, and, speaking generally, in some other countries too. However, that is a matter that can be discussed perhaps in connection with the proposals. I am dealing with the white population, and the white population only. (2) That the mode of electing the representatives be left in each case to the determination of each of the oversea Dominions.

M. BATCHELOR: Sir Joseph, how would the Imperial Conference be represented upon that?

Sir JOSEPH WARD: Perhaps if you will allow me to proceed I can explain; I must take these points in their sequence: (3) That the United Kingdom elect representatives on the same basis—that is one for every 200,000 of the population; that is, say, 220 members. That the total members of this Imperial House of Representatives thus——

The PRESIDENT: What would that add up to?

Sir JOSEPH WARD: 300. (4) That the term for which they are elected be five years. (5) That the United Kingdom, Canada, Australia, South Africa, New Zealand, and Newfoundland each elect two representatives to be members of an Imperial Council of Defence, thus providing a Council of 12.

Sir WILFRID LAURIER: Out of that representation?

Sir JOSEPH WARD: No, I am dealing with the Senate, which is to be elected for such term and in such manner as each of these divisions of the Empire shall determine.

The PRESIDENT: With a Council of 12 the United Kingdom would have two?

Sir JOSEPH WARD: Yes.

The PRESIDENT: And the Dominions are to have 10?

Sir JOSEPH WARD: That is the same principle as exists in all Federal Governments.

The PRESIDENT: You treat them as separate States?

Sir JOSEPH WARD: Perhaps if you would allow me, I might go on to the functions of this Council. That the functions of this Council are to be limited and to be mainly consultative and revisory. (7) An executive to consist of not more than 15, of whom not more than one be chosen from the members of the Senate. That there be transferred to this Imperial Parliament of Defence exclusively:—(*a*) Those matters common to the whole Empire—that is, all those in which every part of it is alike interested.

Sir WILFRID LAURIER: Will that be concerning defence only, or everything?

Sir JOSEPH WARD: It is to deal with defence in times of peace and war, that is Imperial Defence.

Mr. PEARCE: Shipping?

Sir JOSEPH WARD: No.

Mr. FISHER: I understood you to call it an Imperial Parliament of Defence; that is one of the difficulties we meet with. This is going to deal with general subjects and the difficulty of it is, that you stated definitely just now that it would be an Imperial Parliament of Defence.

Sir JOSEPH WARD: So far as the name is concerned, that is so. After you have heard what I suggest, if the name is in any way anomalous to the proposals contained in it, I have not the slightest objection to changing it. There is no trouble about the name so far as I am concerned; but I want to try and indicate what I believe would be a good thing if it could be carried out.

M. FISHER: I am very sorry to interrupt you, but the point is this: this is a select body from Members of Parliament called specially to deal with defence, I understand, and now you are trenching on to other subjects beside defence.

Sir JOSEPH WARD: No.

Mr. FISHER: I beg your pardon.

Sir JOSEPH WARD: (a) Only in regard to those matters common to the whole Empire—that is, all those in which every part of it is alike interested. I am dealing with naval defence. (*b*) Those matters which can be satisfactorily undertaken only by the Empire as a whole. Including:—(1) Peace and war treaties and foreign relations generally.

Sir WILFRID LAURIER: Does that treat with commerce?

The PRESIDENT: It is not defence.

Sir JOSEPH WARD: It is all bearing on defence.

M. FISHER: I do not understand it in that light.

Sir JOSEPH WARD: I will try to make it as clear as I can.

The PRESIDENT: It is to have exclusive control over the Empire as a whole in all questions involving peace or war.

Sir JOSEPH WARD: That is so, with England reigning supreme upon it.

The PRESIDENT: The new body is to have that exclusive power of treaties and foreign relations too.

Sir JOSEPH WARD: (1) Peace and war treaties and foreign relations generally. (2) Imperial defence and the providing of the revenues for the foregoing purposes and for the general support of this Imperial proposal.

For the first 10 years after the first election of this Parliament, it shall have no power of taxation, but the amount payable by each of the oversea Dominions represented as its proportion of the revenue required for the purposes I have indicated shall be deemed to be a debt due by each Dominion and shall be raised and paid by that Dominion to the Exchequer of the Imperial Parliament of Defence. (*b*) At the expiration of 10 years such amount shall be raised and paid in such manner as the respective Dominions agree to. (*c*) This Imperial Parliament to determine the amount to be contributed by the oversea Dominions for the following purposes: (1) Imperial Defence, (2) War. The amount to be contributed by the oversea Dominions estimated *per capita* of population, not to exceed 50 per cent of the amount (estimated *per capita* of population) contributed by the United Kingdom for these purposes; but for all other purposes the contributions shall be on an equal *per capita* basis. This is dealing entirely with defence, and with the Imperial relations, and with the relations that are closely allied with defence of those matters which may bring the whole Empire into a war.

Mr. PEARCE: Would you mind repeating the proportions? I did not catch your figures as to the proportion they should contribute.

Mr. FISHER: The United Kingdom twice the amount of the oversea Dominions.

Sir JOSEPH WARD: That is so; the amount to be contributed for Imperial Defence and War shall, estimated *per capita* of population, not exceed 50 per cent of the amount (estimated *per capita* of population) contributed by the United Kingdom for these purposes; but for all other purposes the contributions shall be on an equal *per capita* basis. And the reason for that must be obvious: At present the British interests are very much greater than those of the outlying Possessions that it is only a fair proposition to concede that there should be a difference as between them, and I believe the difference suggested here is not an unfair one.

In submitting this matter, I have not interfered—and I do not propose now, except so far as to indicate what is passing through my mind, to interfere in any way in connection with the politics of the Homeland. I have not done so at any time, and in anything I am stating here I am stating it only from the point of view that I believe that circumstances in the future will call for it as being required to enable the great work of Empire to be carried on successfully. What I am indicating here presupposes in the United Kingdom a completed system of local autonomy for the national divisions of the Kingdom, each, including England, having its own Parliament———

The PRESIDENT: What we call Home Rule all round.

Sir JOSEPH WARD: Yes. Of course, I am not discussing the pros and cons of it, but what I am suggesting here presupposes that a system of that kind will be brought into being; and if I may be allowed to say so, in my opinion, as one who is perhaps entitled to express his opinion in connection with a matter of this kind, it appears to me to be a necessity in connection with the development that has taken place both in the Old World and in its relationship to the outlying portions of it, and to other important countries, too, that such a system should be brought into being.

Presupposing that that alteration should be made, as an outcome of that alteration, necessarily there would be a tremendous change made in the Old Country in connection with the present Imperial Parliament. As I have said, what I am suggesting presupposes developments taking place in the old land in that respect.

Sir WILFRID LAURIER: You propose a new Parliament to be elected by all the Dominions?

Sir JOSEPH WARD: For defence only.

Sir WILFRID LAURIER: That can be done without any alteration of the present constitution of the United Kingdom. I cannot see the logic of your position. You propose a new Parliament on top of what we have already?

Sir JOSEPH WARD: No. In my opinion, Sir Wilfrid, with all due deference to you, any proposal of this kind presupposes an alteration in the Homeland to a federal system, and in connection with that federal system there must of necessity be a change in the numbers of the great Houses that represent Great Britain and Ireland at the present time. In other words if there are created in different portions of the British Isles separate Parliaments for local government, it stands to reason some alteration would take place in the larger ones that exist for the whole of Great Britain at the present time. I believe, in connection with federation for naval defence purposes of the oversea Dominions, that it is necessary to presuppose an alteration in the United Kingdom itself on some such lines as I have described.

The PRESIDENT: I do not want to interrupt you, but for the sake of making it clear as you go along I want to see how we stand. We in the United Kingdom will have to consider how it would affect us. You presuppose what is called Home Rule all round here, that is to say, the delegation to local bodies of all local concerns in England, Scotland, Ireland and Wales.

Sir JOSEPH WARD: Yes.

The PRESIDENT: Is your new Imperial Parliament of Defence (I merely ask for information) then, to step into the shoes of the old Imperial Parliament?

Sir JOSEPH WARD: Yes, at any rate ultimately.

The PRESIDENT: It is to exist side by side with it?

Sir JOSEPH WARD: If desired, but I want to develop a true Imperial Parliament.

The PRESIDENT: But side by side with it?

Sir JOSEPH WARD: Yes, if you want it for the purposes I have named.

The PRESIDENT: The old Imperial Parliament will still go on, under your scheme, representing the different constituent elements in the United Kingdom.

Sir JOSEPH WARD: If you had separate Parliaments existing for Scotland, England, Wales and Ireland on their own account, to a very considerable extent you would alter the position of the old Imperial Parliament and it might be merged ultimately, at least, in the new one.

The PRESIDENT: We should relieve it of a good deal of business which at present it transacts

Sir JOSEPH WARD: Besides the point I am making, in presupposing that the United Kingdom establishes Home Rule all round as you call it—I have called it creating separate parliaments for local government.

The PRESIDENT: I use the popular expression.

Sir JOSEPH WARD: I call it creating parliaments for the different nationalities in the Kingdom, and if you did that, I apprehend you must make a material alteration in the Imperial Parliament consequent on a change of that kind. I am not demanding the taking away of any of the powers of the present Imperial Parliament, although I think it should be merged in the new one for the Empire, or of any of the powers of the oversea Dominions' Parliaments. I am suggesting that in naval defence matters for the Empire as a whole, if the people in New Zealand (I

will deal with New Zealand alone) are to take their responsibilities, which they are doing now to some extent, in connection with the general defence of the Empire, including the protection of New Zealand, they are entitled to some representation on some body that has got the power of saying when New Zealand should go into war, although we recognize that the British representatives would settle it every time because they would be in the majority. We to-day, however, have no voice of any sort or kind, and I am suggesting that some body should be created upon which the people of New Zealand and all the other Dominions could be represented. It is possible that the proposals I am making may not fit in with the existing conditions; but I believe they ought to be capable of being put into shape with a view to help all portions of the Empire. I am suggesting an Imperial Parliament of Defence, as I call it, for the purpose of helping to make the defence of the Empire as a whole stronger than it is to-day. I want to make it absolutely invulnerable for all parts of the British Empire.

What I am trying to do does not presuppose that there is a completed system of local autonomy for the national divisions of the United Kingdom, and then all portions of the Empire would be in a similar position from the point of view of their local Governments as far as the local autonomy is concerned. That this local autonomy fully established, a true Imperial Parliament, which at first could be limited to foreign policies, defence, and peace or war should be set up, the local governments to have the powers they have now.

Mr. BRODEUR: Except with regard to Naval Defence.

Sir JOSEPH WARD: Except with regard to Naval Defence, that is so.

Mr. BRODEUR: As to Naval Defence, you do not want to recognize the local autonomy of the different parts of the Empire?

Sir JOSEPH WARD: No. In the matter of oversea Naval Defence, my argument is that there is no portion of the British Possessions at the present time—certainly, as far as the United Kingdom is concerned, it applies less to them than to any other portion of the British Possessions—which can deal with the matter of oversea defences effectively without the co-operation and good will of all parts of the Empire. What I want to see brought about is some system to enable that to be done. I call it an Imperial Parliament of Defence.

Sir FREDERICK BORDEN: Naval Defence, I think you mean.

Sir JOSEPH WARD: Naval Defence, as I have already stated.

The PRESIDENT: It is not to deal with military matters, I think you told us before.

Mr. FISHER: But it is to deal with treaties, I understand.

Sir JOSEPH WARD: Certainly treaties, because they necessarily effect defence.

Mr. FISHER: That is a very important item.

Sir JOSEPH WARD: The question of treaties, as a matter of fact, has a very large bearing on the possibility of troubles of affecting all portions of the Empire.

Mr. FISHER: It is as big as the other.

Sir JOSEPH WARD: Yes, it is. At all events I am submitting this proposal because I am impressed with the fact that to-day in reality the oversea Dominions are helpless. I have no hesitation in saying in the presence of other representatives here that I am certain they are all prepared to accept their responsibilities in con-

nection with defence matters; but, as a matter of fact, they are all helpless and they know nothing. I speak for New Zealand, and though we take our part quite willingly we know nothing whatever as to the possibilities of troubles arising that we are bound to be drawn into. But as British countries, with people of various nationalities in them, we have come to a point when a change is necessary if we are to have our people with us in taking our part in connection with the general defence of the Empire. We must have some alteration of the present disjointed so-called system. That is what I am trying to arrive at, and what I am hopeful that something may be done in connection with. I recognize to the full of the truth of what Mr. James Bryce, the British Ambassador in America, says upon this point of central control as against divided control in distant portions of the Empire. He says that: "The great principle applicable"——

The PRESIDENT: What are you quoting from—his book?

Sir JOSEPH WARD: Yes. "The great principle applicable in every branch and art of government is that the more power that is given to the units which compose an empire, be these units large or small, and the less that is given to a central or imperial authority, so much the fuller will be the liberty and so much greater the energy of the individuals who compose the people as a whole." I agree with those sentiments absolutely, and, apart altogether from any of the proposals I make to this Conference, that is the spirit that underlies the proposals I am making; the motive I have endeavoured, however imperfectly, to explain to the members of the Conference.

Now I want just to say one word upon what I believe, if we had a properly constituted authority, our respective Dominions, as far as the people are concerned, would be favourable to, namely, what might be done in the matter of general Naval Defence, without loss of local dignity to any Dominion, without any loss of prestige, and still would, I believe, be of superior advantage to the individual portions of the Empire, especially to the Old World, and would go towards making the peace of the world assured. I spoke of the absence of uniformity of system by which a contribution could be made for naval purposes. I know what is being done in Canada, I know what is being done in Australia, and I recognize the enormous amount the Old Country is doing quite irrespective of all our Dominions in every possible way. I recognize, too, the large share the British taxpayer has taken in contributing towards the general support of the oversea Dominions as far as Naval Defence is concerned, and what they have done so magnificently and cheerfully in the past.

I believe we ought as far as the white people in our respective countries are concerned, to have a uniform system of contribution—and I want to make that clear —for Naval Defence. Upon the basis of 13 millions of white people (and there are more than that— I am not overstating it— in the British Dominions, if we were to give for Naval Defence 10s. *per capita* we would provide 6,500,000*l.* a year, and if our annual amount of 6,500,000*l.* was put into the purchase of battleships (I call them Dreadnoughts for the purposes of my argument) at 2,000,000*l.* each, there could be provided for out of the annual contribution three Dreadnoughts per annum. But as a matter of practice, I think I ought to say, Mr. Asquith, that although it may be done occasionally the building of battleships is not generally provided for out of revenue.

The PRESIDENT: We do it here, you know.

Sir JOSEPH WARD: Not always.

Mr. FISHER: Our proposal is always revenue, and no other policy will ever be tolerated.

Sir JOSEPH WARD: I am going to state what my opinion is, because I am of the opinion that at times considerable sums are used other than out of revenue for the purpose of providing armaments.

The PRESIDENT: As to the battleships and munitions of war, we have done such things, I agree; but our normal practice is to provide for the construction of ships entirely out of revenue.

Sir JOSEPH WARD: However, for the purpose of my argument, three Dreadnoughts certainly could be provided for yearly out of the annual revenue. But supposing, in order to place them in a position of supreme invulnerability and of absolute safety from every point of view, by co-operating with the British Navy, all these oversea Dominions, instead of waiting for a period of 20 years with a gradual expenditure only of a very considerable sum of money yearly, decided as a matter of policy to at once borrow the necessary money to equip their territories with a practically impregnable naval defence system; this could be done out of the £6,500,000 a year upon the basis I have suggested. I conceive that by this means such a position could be simply and efficiently arrived at within five years from now. Twenty-five Dreadnoughts at £2,000,000 each would amount to 50 million sterling, and the annual per capita contribution would, upon a basis of 6 per cent, including 3 per cent for sinking fund, insure that every one of them would be paid for in 15 years. In Australia, for instance—I am saying this, as my friend Mr. Fisher will recognize, with all respect——

Mr. FISHER: Yes, I quite admit that.

Sir JOSEPH WARD: In Australia, for instance, with all its Eastern possibilities, instead of having a minimized or ineffective fleet to meet the requirements of the great Commonwealth for protective purposes, ample protection would be afforded in a comparatively short period. To build up their own navy will take many years, with an enormous burden, in proportion to its population, in the interval placed on the people of the Commonwealth, but if a proposal of the kind I am suggesting (if any voluntary system which is suggested can be brought about, well and good, but I do not believe it can) were given effect to, what would the position be in Australia, in Canada, in New Zealand, South Africa and Newfoundland? Why, by making provision for the repayment of those 25 Dreadnoughts if the vessels could be supplied within five years from now, every point of those Possessions would be in a position for defensive purposes absolutely unsurpassed by any other part of the world.

Mr. FISHER: But, Sir Joseph, if you will allow me to interrupt, you would have no fleet at all at the end of 15 years.

Sir JOSEPH WARD: Why?

Mr. FISHER: Because it would be scrap iron then, and you would only have paid for it.

Sir JOSEPH WARD: I do not agree with you, Mr. Fisher, because I want to point out that if you provide for depreciation at the rate of 3 per cent, which I am suggesting on the establishment of the fleet——

Mr. FISHER: Fifteen years?

Sir JOSEPH WARD: Yes, and if any vessel went out altogether at that period you would have replaced her out of sinking funds that had accumulated because you would be providing for depreciation all the time. According to your argument, your railways ought to have been scrap iron 25 years ago.

Mr. FISHER: No.

Sir JOSEPH WARD: Your Houses of Parliament ought to have been out of existence 25 years ago, if that argument is a sound one.

Mr. FISHER: You cannot keep a fighting ship in permanent repair; the Admiralty will tell you that.

Sir JOSEPH WARD: As a matter of fact they are kept in repair now. Even on the 10s. per capita basis, I am suggesting the utilization of only half the amount that would be given per annum for the purpose of providing the interest and sinking fund, and warships that would be up-to-date could be built in your own country with great promptitude compared to what is being done now, and this would make for early protective efficiency, without having the uncertainty that an inadequate fleet must create if its building up is extended over a long period of years.

Mr. FISHER: I only say that I think it is a faulty calculation.

Sir JOSEPH WARD: In my opinion, where you are providing for the full redemption of debt in a period of years, the argument my friend Mr. Fisher is putting forward is not a sound one, because the same principle applies to replacements. If you provide a sinking fund for the complete restoration of anything within a given period, there can be no such thing as it being out of existence at the end of the time, otherwise no railway system would exist after a period of years has passed by. They would all disappear.

Sir WILFRID LAURIER: Railways are producing revenue and they are therefore replaced all the time; but warships do not produce any revenue.

Sir JOSEPH WARD: Railways are built out of capital borrowed and not out of revenue, but out of that revenue there should be a sinking fund established and continual repair on the railways should be effected out of revenue also.

Sir WILFRID LAURIER: Yes, out of revenues of the railway. There is no possible comparison between the two things.

Sir JOSEPH WARD: I do not agree, because the 10s. per capita that I suggest takes the place of the ordinary revenue received from any commercial department such as railways. However, I want to place on record my view on this matter, and to say that in my opinion a position of enormous strength, with at least three of the most powerful battleships, could be provided for Australia, that six of them could be provided for Canada for dealing with both the Pacific and Atlantic coasts, that three of them could be provided for South Africa, if South Africa required them, although I know they are in a similar position to New Zealand in the matter of their naval defences, two could be provided for New Zealand and one for Newfoundland, and all the subsidiary vessels that make up fleet units could be provided for all those countries. In addition ten Dreadnoughts could be added promptly to the British Navy, and all this could be done entirely by the oversea Dominions out of the proposal which I am speaking of at the present moment.

Mr. BATCHELOR: That policy could be adopted now, could it not?

Sir JOSEPH WARD: If you could tell me, Mr. Batchelor, what machinery there is in existence to enable all of the oversea countries and the Motherland to adopt a uniform policy in the matter of naval defence to make an invulnerable Empire navy, no suggestion of mine is necessary; because at the present time we do not act together—for instance, Sir Wilfrid Laurier holds a pronounced view in one direction, and I do not hold the same view with him; the Commonwealth of Australia holds a different view; if it comes to individual attempts to act on the part of the respective countries, then how could we possibly act together?

Sir WILFRID LAURIER: We must have a body above us to force us to be good boys and pay our share while the superior body spend it.

Sir JOSEPH WARD: If the people of our respective countries were empowered to elect representatives to a corporate body for the preservation of their interests round their own coasts and the sea routes, if that is called a superior body to the people themselves, then I admit that your argument is right. But what I am suggesting is that the same people who create the individual Parliament should elect their representatives and have a voice in the matter of their protection, and also upon the point of going to war or otherwise; that they should have a voice in the creation of a system which is going to be really of value to them.

Sir WILFRID LAURIER: That is a very different position.

Sir JOSEPH WARD: That is what I am suggesting, and I know the difficulties surrounding it; I apprehend the difficulties fully, but I suggest this as one way, and if any other gentleman at this Conference can suggest as good or a better way, I would be only too happy to support it. But at present I say this—with all respect to every portion of the British Dominions—individually, though we are involved when Great Britain has a fight for the supremacy of the seas, we have no voice at all, we are helpless.

The PRESIDENT: I should like, if I may, to ask you this question. You say this proposed body is to have a voice—I suppose you mean a decisive voice—in the question of peace or war. How is that to be worked out practically? Are we to have a debate on the question of whether or not the Empire shall go to war, at which everybody is to speak, with a division, and so on—300 members?

Sir JOSEPH WARD: I have not suggested anything of that sort.

The PRESIDENT: That is your suggestion—the only suggestion before the Conference.

Sir JOSEPH WARD: I have not suggested anything of the kind, with all due deference.

The PRESIDENT: Then I do not understand it.

Sir JOSEPH WARD: I have suggested an executive of 15, and if there was an executive of 15 I apprehend that they would accept the full responsibility of doing whatever they thought proper as representing the Imperial Council of Defence.

The PRESIDENT: Is the executive of 15 to be elected by or responsible to the parliamentary body?

Sir JOSEPH WARD: Entirely so.

The PRESIDENT: Then they are the ultimate arbiters?

Sir JOSEPH WARD: Yes. The 15 members of the executive, or whatever the number of the executive might be fixed at, would be representative of all portions of the British Empire even although no man outside of Great Britain was on the executive. Then if the people of the several portions of the Empire selected representatives they would have no right to complain, as they have to-day, that they have no voice, even although I recognise that they would be in a minority under the new system. They have no voice or say at present in connection with matters in which they are deeply concerned, and I do not suggest a one-sided proposal because I advocate the oversea Dominions contributing 10s. *per capita*.

The PRESIDENT: What is to be the position of the Imperial Government? Where does it come in? Are they to conduct negotiations with Foreign Powers up to the point when there is a possibility of a rupture, and then is your executive to come in to determine whether or not we are to go to war?

Sir JOSEPH WARD: They would have 220 members from Great Britain.

The PRESIDENT: I am speaking of the executive. The British Cabinet, at present, is responsible for the conduct of our relations with foreign countries. We carry on, of course, with all the secrecy that diplomacy requires, these negotiations in the interests of the Empire as a whole. We get to a point, or we might conceivably get to a point, in which it was a question whether or not there should be a rupture betwen us and a great foreign Power. At present the Cabinet decides that on its own responsibility. Parliament dismisses them if they are not satisfied that they have acted rightly. What I want to know from you is—so as to understand the proposition, whether it amounts to this: that at that point, the negotiations having been conducted up to that point by the British Cabinet, it is then to hand over the determination of the question of peace or war to your new executive, responsible to the Parliament of Defence? I do not ask in any hostile spirit; I only want to know if that is the proposal?

Sir JOSEPH WARD: My answer to that, Mr. Asquith, is that the executive suggested in this would be an executive representing in the same proportions the British people as are now represented by the British public in the Imperial Parliament. There would, of course, be a preponderance of British representatives upon that body which would carry on everything you are suggesting with the same secrecy.

The PRESIDENT: How then would you be better off than now?

Sir JOSEPH WARD: Because now we have no voice or say.

The PRESIDENT: Your voice, as you say, would always be overruled; you say it is an essential factor of the arrangement that the British should always be in a vast preponderance.

Sir JOSEPH WARD: That does not get over the fact that none of the British Dominions are represented directly or indirectly at the present time.

The PRESIDENT: I wanted to see what the effect would be.

Sir JOSEPH WARD: I think the people of the oversea Dominions are entitled to representation in connection with such far-reaching matters. I recognise that representation does not mean control—very far from it; if it meant control I should say that your view of the matter was absolutely unanswerable. The control still remains with the British people.

The President: I am not putting any view in opposition; I only asked you the question.

Sir JOSEPH WARD: I know. In matters of naval defence I believe sincerely the whole position could be made impregnable as far as the oversea Dominions are concerned, providing for them all the advantages they get by having anything in the shape of local navies. The whole of the building operations could be carried out without any difficulty, naval construction yards could be provided in the several Dominions by a *per capita* contribution such as I have named. By this means the distant countries might certainly hope to have, not an imaginative local navy that in all human probability would not be able to do what they required in times of stress, but they would have one that could beyond all question do what was necessary, and which, added to the present British Navy, would make it so

powerful as to make the peace of the world absolutely assured. In other words, there would be all the advantages that now accrue, only greater in my opinion, to the local places. The building programme in the Dominions themselves to which they attach importance could be provided, with this material difference, that they would have effective and efficient naval strength at an early period, instead of, to put it mildly, an inadequate and uncertain strength being built up over a long period of years.

I have no hesitation whatever in saying with regard to this important question of the Declaration of London (I am not going to discuss it now, of course) that if we had the position regarding the protection of the sea routes properly provided for at points from Canada, South Africa, Australia, and New Zealand, the Declaration of London, in my opinion, would be a matter of absolutely no consequence at all; because, after all, the whole thing comes back to the superiority of the British Navy in protecting the different parts of the sea routes of the world, to keep the routes open so as to enable the requisite food supplies to come to this Old Country.

The whole matter is a very important one; the protecting of the widespread and far-reaching interests of the British Empire is worth working for, and I say quite frankly that, even after discussion here, if this should not meet with the acceptation of any single member of the Conference, I will still continue to hold the view that the present position is not right, that an important alteration is necessary. I think I am further right in expressing the opinion that, as the years go on, the voice of the great democracies in the overseas Dominions will not be stopped from advocating that where they are expected, and rightly so, to share in the responsibilities of the troubles that may ensue connected with any war affecting the stability of the British Empire, they are entitled, as a matter of right, not as a matter of appeal, to have some say, even although they be in a minority, upon some properly constituted body that is going to decide the question as to whether there is to be peace or war. My opinion is that they ought to have some representation, and that it ought to be upon a basis that will meet with the general approval of the people of Great Britain and the oversea Dominions.

I will not discuss the matter any further, Mr. Asquith, excepting to say that I know that no scheme for bringing about Imperial unity, that no scheme for establishing a system of organized Imperial Defence, that no scheme for the equitable distribution of the burdens of Defence throughout the Empire, and that no scheme for the representation of the self-governing oversea Dominions in an Imperial Council or Parliament of Defence or for the purpose of dealing with the matters I have suggested, can be brought about in a hurry. I recognize that the proposals I have made are far from perfect, but I believe as certainly as that we men are sitting round this Conference table, that the future will call for an alteration, in the direction at least of what I am suggesting. The growth of these oversea Dominions on attaining the proportions they will within a limited period of years from now, will be such that with the kindliest feeling, with the deepest ties of affection to the old world, the people who are free, independent, and recognize all the values of British institutions, and who value to the full the tremendous protection they have received as the outcome of the payments of the British taxpayers to the coffers of the British Treasury in the general interests of the people of the Old Land as well as the people in the distant portions of the Empire—I say, notwithstanding all that you will find that the strength of those rising oversea democracies in future will be such that their peoples will call for representation, they will call for a voice in determining the all-important question of peace or war, how they are to bear their proportions and how they are effectually to help in establishing a system of naval defence that will go for maintaining the solidality of the Empire as a whole, and in reality will go for bringing about and continuing that which every civilized community desires, the peace of the world.

I beg to move the resolution.

Sir WILFRID LAURIER: Mr. Asquith, the resolution which has been moved by Sir Joseph Ward may be repeated again so that we may understand exactly where we are: "That the Empire has now reached a stage of Imperial development which renders it expedient that there should be an Imperial Council of State with representatives from all the self-governing parts of the Empire, in theory and in fact advisory to the Imperial Government on all questions affecting the interests of His Majesty's Dominions Oversea."

Sir Joseph Ward will forgive me for saying at the outset that the argument which he has addressed to us is not in any way germane to the resolution which he has moved. The argument which he addressed to us is not for the creation of a Council Advisory to the Imperial authorities, it is for an entirely different matter. I was not, I may say at once, very favourably disposed towards the resolution as it was moved, but that can be set aside. What Sir Joseph Ward has proposed is not an Advisory Council; it is a legislative body to be elected by the people of the United Kingdom and the Dominions beyond the seas—a legislative body I say with power to create expenditure and no power to create revenue. Now if there is one system which I think is indefensible it is the creation of a body which should have the power to expend at its own sweet will without having the responsibility of providing for the revenue to carry on the expenditure.

That seems to me at once to dispose of the matter. This body suggested by Sir Joseph Ward would have the power to sit, I suppose, here in London, or Ottawa, or Wellington, or in Melbourne, for the matter of that, it does not matter, and in its wisdom to say: "Well, this year the British Empire should spend £2,000,000, £5,000,000, £20,000,000 for defence, to be apportioned so much to the United Kingdom, so much to Canada, so much to Australia, so much to New Zealand, so much to South Africa, and so much to Newfoundland"; and then, as I understand the proposal of Sir Joseph Ward, this would be remitted to the respective Governments concerned, and all the Governments would be dumb agents to carry out these resolutions. The Chancellor of the Exchequer would simply have to provide so much; in Canada we would have to provide so much, in order that various munitions of war might be purchased, and so in Australia, and so in South Africa, and so in Newfoundland.

I must, say with all respect and due deference to Sir Joseph Ward, the proposal seems to me to be absolutely impracticable.

Mr. FISHER: Mr. Asquith, I think the remark of Sir Joseph towards the close of his speech affects the situation and hardly calls for very serious discussion round this Conference table. He said he felt that this was a scheme far in advance of anything that could be expected at the present moment, and that although all the members might be seriously against the proposal, he was still egotistical enough to think that it was a sound scheme to be submitted to the Conference. I must say I think we must congratulate him on his courage in bringing forward such a scheme.

Sir JOSEPH WARD: I did not say that, but, of course, that does not matter:

Mr. FISHER: I want to be correct, but Sir Wilfrid has really expressed my own view. I think it is not a practical scheme, if he will allow me to put it in that brief way, at the present moment. I would like to say in general terms that I do not think that there is anything the matter with the Empire at the present time except as relating to subsidiary causes that may be easily removed by Conferences such as these. We have ever-extending oversea Dominions. I had the great honour and pleasure towards the end of last year of being present at the creation of a new Dominion in South Africa. That is hardly what we should expect from a system of responsible government which had failed or was breaking down.

Changes will always be necessary while progress is made. If we were to take the path Sir Joseph Ward invites us to take, I am of opinion we should retrace our steps early and hurriedly.

That is by the way. I am apprehensive of the broad statements made by Sir Joseph about the effectiveness of the two systems of naval defence; the one adopted by his own country, New Zealand, and the other adopted by Canada and Australia. I do not propose to deal with that question at all. I am looking forward to the opportunity to be available to my honourable colleague, the Minister of Defence, to deal comprehensivly with that question. This is not a sitting of the Conference where it could be properly done; the subject is really not before us as a defence matter, although the greater part of Sir Joseph Ward's speech, I think, was founded on the question of a better system of naval defence.

We rely—I think I can say for the Commonwealth of Australia—on the wisdom of His Majesty's Government of the United Kingdom safeguarding all the interests of the Empire as regards the Navy. We rely on the powers given to the Commonwealth under the Commonwealth Constitution to deal with Naval and Military Defence of that portion of the Empire in our own way, in co-operation as far as we can with the Mother Country, both for the preservation of our own immediate country and the preservation of the centre of the Empire and all the other parts of it.

I cannot, speaking on behalf of the Commonwealth, support the proposition as put forward. I can say with Sir Wilfrid that even as it appears on the notice paper it would not have been concurred in by myself and my colleagues, the Ministers of the Commonwealth, nor do I believe by the people of the Commonwealth. But I am not going to say that there are not possibilities of having an Advisory Council of some kind associated with the Imperial Government, who would be able to be in close touch with them at all times, especially in times of crisis and emergency, so that certain communications might be made by them to representatives on the spot directly responsible to the Governments of the Dominions, and we should be informed. On those lines I think something might be done. There are so many matters of grave importance involving the whole re-construction of the political government of the Empire that it is too great a question to be considered immediately and to be decided off-hand. Therefore, with great reluctance, and expressing my appreciation of the pains that Sir Joseph has taken to put his views before this Conference, I cannot think that it would be wise for us to adopt such a proposal at the present time.

General BOTHA: Mr. President, I have listened with the greatest interest to the speech which has been delivered by my friend the Prime Minister of New Zealand, and although I highly appreciate the spirit in which he has brought forward his proposal I am sorry that I cannot agree with him.

I am sure that every one of us is equally anxious to knit the various parts of the British Empire together as closely as possible, and that any practical scheme to attain this object would receive our most cordial support, and our Imperial Conferences are held with that object.

We must not, however, look upon these Conferences as affording in the first place an opportunity for the passing of a number of resolutions which will be carried into effect throughout the Empire—if we do this I am afraid that we shall be disappointed—I look upon these Conferences with very different views. I consider that they are of the greatest possible value in periodically bringing together the governments of the Empire and enabling them to discuss matters of common interest.

Even if we were not formally to pass a single resolution, I should be very far from saying that our Conference had been a failure. We would all return to the several parts of the Empire having heard each other's views on most important questions, and we would all be able to work towards the attainment of one common ideal.

These Conferences have already been of the greatest value, and I am convinced that they are in a great measure responsible for the greater unity of the Empire, which we have undoubtedly already attained since they were first organized.

These Conferences are undoubtedly an important step in the right direction, but I have grave doubts whether an Imperial Council such as proposed would bring us nearer to our object.

I have asked myself whether this proposal which has been brought forward is a practical one. No one can feel more than I do, that as often as the British Government has to deal with matters which may affect a particular part of the Empire, it is essential that the particular Dominion concerned should have an opportunity of being heard and of expressing its views. After the most careful consideration, however, I have come to the conclusion that this object cannot satisfactorily be attained through an Imperial Council such as proposed in this resolution. How is such a Council to be appointed? Who will decide what matters must come before it? What authority is to be vested in it? To what representative body is such a Council to be responsible? These are only a few of the questions which crop up immediately, and it seems to me that no satisfactory reply can be given to them. If any real authority is to be vested in such an Imperial Council, I feel convinced that the self-governing powers of the various parts of the Empire must necessarily be encroached upon, and that would be a proposition which I am certain no Parliament in any part of the Empire will entertain for one moment.

If no real authority is to be given to such a Council, I fear very much that it would only become a meddlesome body which will continually endeavour to interfere with the domestic concerns of the various parts of the Empire, and cause nothing but unpleasantness and friction—in fact, the very opposite of what we desire. I feel certain that, with the political genius which characterizes the British race, a solution of this difficult problem will ultimately be evolved. It may be that the time will arrive when a body will come into existence upon which the various parts of the Empire are represented by men elected by the people of the Empire, and it may be that in years to come these Imperial Conferences which we are holding to-day will be looked upon as a link in a long chain of evolution of such a body. But that day has not arrived yet, and we must not try to force the pace unduly. If our Imperial Conferences are not quite as satisfactory as we might wish them to be, then let us do our best to make them more so.

But what are we asked to do now? It would probably mean, I submit, the creation of some body in which would be centralized authority over the whole Empire. Now this would in my mind be a step entirely antagonistic to the policy of Great Britain which has been so successful in the past and which has undoubtedly made the Empire what it is to-day. It is the policy of decentralization which has made the Empire—the power granted to its various peoples to govern themselves. It is the liberty which these peoples have enjoyed and enjoy under the British Flag which has bound them to the Mother Country. That is the strongest tie between the Mother Country and the Dominions, and I am sure that any scheme which does not fully recognize this, could only bring disappointment and disillusionment. I fear that the premature creation of such an Imperial Council as is suggested would—rather than bring the different parts of the Empire closer together—tend to make the connection onerous and unpleasant to the Dominions. Let us beware of such a result. Decentralization and liberty have done wonders. Let us be very careful before we in the slightest manner depart from that policy. It is co-operation and always better co-operation between the various parts of the Empire which we want, and that is what we must always strive for.

I have very seriously considered this proposal, but I cannot come to any other conclusion than that the objections against such a scheme are far weightier than any

benefits which may arise therefrom, and I regret, therefore, that I shall not be able to record my vote in favour of it.

Sir EDWARD MORRIS: Mr. Asquith, I desire to say that I also have listened with the greatest interest to the very interesting and able address of Sir Joseph Ward, and I am in entire sympathy with the underlying motive or suggestion running through his remarks, but I am quite convinced that the proposal would not in any way effect what he desires. I quite appreciate and agree with the suggestion arising out of your question that the effect of such a Council, legislative body, or Parliament as is now proposed would be to supersede the functions of the Imperial Government, and that the two bodies could not exist together.

The idea, I think, that Sir Joseph Ward has is that some remedy should be proposed in order to give the great Dominions that he and his colleagues represent some say in, or some Advisory Council, or representatives in relation to the larger questions of Imperial Government. It seems to me that the only way that could ever be accomplished would be to have some representation in the Imperial Parliament, but that as regards the dealing with large questions like war and treaties and navies that is to remain at least for a very long while in the hands of the Imperial Government who are largely responsible and who have to bear the great proportion of the expenditure.

Any scheme of representation, no matter what you may call it—Parliament or Council—of the oversea Dominions must have so very small a representation that it would be practically of no value. You have in the first place to consider that you have an Empire representing something like 500 millions of people. We know when you give them a fair representation on that Council the oversea Dominions as they are termed will have but a very small say in the matter.

I, of course, make this statement with the very highest respect for Sir Joseph Ward and remembering, of course, the very large interests he represents as compared with the interests I represent.

The PRESIDENT: I should inform the Conference, for I promised to do so, that I received some weeks ago a memorial signed by a very large number of the Members of the Imperial House of Commons—I think something like three hundred belonging to various parties in the State (it was not at all confined to one body), which was in these terms: "We the undesigned Members of Parliament, representing various political parties, are of the opinion that the time has arrived to take practical steps to associate the oversea Dominions in a more practical manner with the conduct of Imperial affairs, if posible, by means of an established representative council of an advisory character in touch with public opinion throughout the Empire." I promised to communicate that resolution to the Conference, and at the same time, I informed the gentlemen who where good enough, on behalf of the signatories, to present it to me, that while His Majesty's Government had the strongest sympathy with any practical step for bringing into closer communication the Imperial and oversea Governments, yet when it came to anything in the nature of the setting up of the new political or constitutional machinery, a condition precedent must be that the change had the unanimous consent of the Dominions themselves, and the gentlemen who represented the memorialists concurred or appeared to me to concur in that view. At the same time I think it only right and proper that the Conference should be aware that such a memorial was presented. Does it not also show how much easier a thing it is to express an abstract aspiration for something in the nature of closer political union than to translate that aspiration into practical terms?

Sir Joseph Ward, in a speech the ability and interest of which we all acknowledge, which must and undoubtedly did represent the expenditure of a great deal of time and thought, has presented us with a concrete proposition, but it is a proposition which not a single representative of any of the other Dominions, nor I as representing

for the time being the Imperial Government, could possibly assent to. For what does Sir Joseph Ward's proposal come to? I might describe the effect of it without going into details in a couple of sentences. It would impair if not altogether destroy the authority of the Government of the United Kingdom in such grave matters as the conduct of foreign policy, the conclusion of treaties, the declaration of maintenance of peace, or the declaration of war and, indeed, all those relations with Foreign Powers, necessarily of the most delicate character, which are now in the hands of the Imperial Government, subject to its responsibility to the Imperial Parliament. That authority cannot be shared, and the co-existence side by side with the Cabinet of the United Kingdom of this proposed body—it does not matter by what name you call it for the moment—clothed with the functions and the jurisdiction which Sir Joseph Ward proposed to invest it with, would, in our judgment, be absolutely fatal to our present system of responsible government.

That is from the Imperial point of view. Now from the point of view of the Dominions, I cannot do better than repeat in my own words what was said by Sir Wilfrid Laurier. So far as the Dominions are concerned, this new machine could impose upon the Dominions by the voice of a body in which they would be in a standing minority (that is part of the case) in a small minority indeed, a policy of which they might all disapprove, of which some of them at any rate possibly and probably would disapprove, a policy which would in most cases involve expenditure and an expenditure which would have to be met by the imposition on a dissentient community of taxation by its own government.

We cannot, with the traditions and the history of the British Empire behind us, either from the point of view of the United Kingdom, or from the point of view of our self-governing Dominions, assent for a moment to proposals which are so fatal to the very fundamental conditions on which our Empire has been built up and carried on. Therefore, with the highest possible respect, as we all have for the skill and ability with which Sir Joseph Ward has presented his case, and a great deal of sympathy with many of the objects he has in view, I think we must agree that on its merits this proposal is not a practical one, and that, even if it were so, even if it could be shown to be so, the fact that it not only does not receive the unanimous consent of all the representatives of the Dominion, but is repudiated by them all except Sir Joseph Ward himself, is for the purposes of this Conference a fatal end, indeed, an insuperable objection to its adoption.

I do not know whether you would like to say anything further, Sir Joseph.

Sir JOSEPH WARD: Yes, I desire to deal with some points, Mr. Asquith. I want to direct attention to the fact that there is apparently misapprehension in your own mind, and I also assume in the minds of others, as to this power which is said to have been suggested by me to impose unlimited taxation and responsibilities on the oversea Dominions. I not only did not do that, but I want to remind the Conference of the fact that I suggested that it should be half of what might be imposed on the Mother Country. That is a material difference to the impression which seems to have been conveyed, that I was suggesting that a door should be opened by which unlimited responsibility should be placed on the oversea Dominions. I did not do that, and I want to make that quite clear.

Now I also recognize the undeniable right of the other representatives at the Conference to entertain the views to which they have given utterance and to which naturally I take no exception, as I have a profound respect for the individual representatives of the various oversea Dominions, and for the Prime Minister of the British Government, but I do not want to have to go on record an inference that I have been suggesting the proposal which Sir Wilfrid Laurier imagined I had made that I provided for no power to create revenue. I am under the impression that Sir Wilfrid Laurier could not have heard what I stated, otherwise he would not have ascribed to

me a statement of that kind, because I not only did not make it, but I did suggest what would require to be done in the first 10 years in the matter of revenue; I did suggest that the power should be left to the individual Dominions as to what they should do after the end of 10 years, and I did point out in connection with the proposed establishment of an Imperial Parliament of Defence that among other things we should alleviate the direct burden upon the Dominions that have elected to establish a local navy. I did point out we could reduce the amount they were individually contributing, by having the system of a charge *per capita* over the white population of the respective oversea Dominions, and I do not quite appreciate the idea from my point of view of its being supposed that in dealing with a proposal of this kind I forgot the very important question of revenue. If I had forgotten it, I should very reluctantly against myself be compelled to say that Sir Wilfrid Laurier was quite correct in stating that where revenue was left out in connection with a proposal for expenditure any such scheme would be impracticable; but as I did not leave that question out, as I made it as far as I could quite clear that there must be an obligation on the part of those concerned to provide revenue, and as I suggested the way (which of course might be improved upon) in which it should be done, I want at once, at all events, to correct the impression which might be assumed from Sir Wilfrid Laurier's statement that I had forgotten that important aspect of the matter. I think it is only fair to myself that I should make that statement, because I did not forget it.

Now, may I also say to my friend Mr. Fisher, the Representative of Australia, that in the course of his remarks he gave utterance to an expression that I most heartily and warmly support, that the Commonwealth Government relied upon the British Government for the protection of all parts of the British Empire so far as the Navy was concerned, the Australian Commonwealth doing its part locally. I have the feeling, as the representative of one of the oversea Dominions, that where the British people or the British Government make provision for the protection of all British interests in all parts of the world, including oversea routes from Australia and elsewhere, as a matter of common practical defence, instead of having a divided system where the British authorities protect those interests all over the world as Mr. Fisher has said, and rightly said, I have a very strong opinion that where the British taxpayers are paying so much out we ought to have some means of bringing about a co-ordination for defence purposes in all parts of the British Empire with a view to doing what is fair to the British taxpayers as well as what is fair to ourselves.

I am in absolute accord with that statement, that it is upon the British Government and upon the British people that we, in the oversea Dominions to-day, everyone of us, dependent for our maintenance as portions of the British Empire, and I say that with all respect to the other oversea Dominions who have taken a different course because the protection of the local British interests that they are involved in does not cease round their own coasts either in Australia or Canada or South Africa or New Zealand. These interests extend far beyond their own coasts, and in my judgment what Mr. Fisher said is correct, that it is the British Government who are carrying out the whole of the responsibilities beyond that limited area, that the divided system which we have in operation does not and cannot protect the ocean routes in which all the oversea Dominions are so much concerned.

Now, may I also be allowed to absolutely repudiate the inference applied to me that I have suggested doing something to bring down the British Government?

Mr. FISHER: Not the Government; I said the system of government that has grown up and been so successful in bringing new countries within the Empire will in future, I believe, bring in others.

Sir JOSEPH WARD: Yes, but what I want to say is this, Mr. Asquith, and I say it with all respect to the members of this Conference, that in my judgment there is no proper recognition of the change that is taking place in the oversea Dominions. This is not a question of the oversea Dominions seeking in any way to weaken the great old British Constitution which has done so much for all of us; it is a suggestion for their active co-operation with a view to strengthening for naval defence purposes all portions of the British Empire that are growing with such rapidity that, in my opinion, and I say it advisedly, they cannot provide within a reasonable time requisite defences for oversea purposes for themselves; it requires the co-operation of all parts with the support of the British Government to enable that to be brought about. That is the whole object I had in view all through in submitting these proposals.

I heartly approve of General Botha's view regarding decentralization and liberty being practically synonymous terms as far as the oversea Dominions are concerned, and, speaking as a New Zealander, I do not know anything that we could do to strengthen Naval Defence that would in any way interfere with the decentralization that exists within our respective parts, and certainly I am not proposing anything in any way to weaken the liberty of any of the people within any portion of the British Dominions. I would be exceedingly sorry to do anything of the kind.

I am working from the standpoint—I recognize it is a different view to the whole of the members of the Conference who have spoken of having the recognition of the people in our respective Dominions by a voice in connection with matters that are of Imperial concern to them, that are always decided as in the past without their knowledge or vote or without concurrence. Nor have I derogated from anything the British Government has done in that respect in the past because I think they have always done the best for the Empire as a whole; but the difference between the position to-day and in the past, in my opinion, is that a tremendous growth is going on and will go on in all the oversea Dominions, and that they ought to receive recognition at the hands of the British Government. I am talking in an impersonal sense, not of the present British Government but *the* British Government, and they ought to receive at its hands a recognition of the fact that they have evolved from comparatively weak positions individually to a very full growth, as young nations. The fact remains, the consequences or results of any great naval war that the British Government might be called upon to take part in in the future directly or indirectly affects every portion of the British Dominions, and without consultation they have done, and will be called upon to take, a share in whatever is going on, although they have no voice and no recognition. I fully recognize that the British authorities at any time of the kind would always do what they believed to be right for Great Britain and the oversea Dominions, but if the fact of their being in a minority upon the Executive Council is to be put forth as a reason for not urging a proposal of the kind, because they would be outvoted by the British authorities; personally I do not quite see its force.

I prefer to have a voice individually even where I am in a minority of one, and have been opposed by the whole of the others; I prefer to have that voice and to recognize that my country spoke through me for what it was worth rather than not have a voice at all.

The PRESIDENT: You are enjoying that experience now.

Sir JOSEPH WARD: I am enjoying it in a practical sense, and I recognize that perhaps might be the position upon such a body as I have suggested.

Now, I also want to say, I thought I did say so in the course of my remarks, but I may not have done so, with reference to the reply made by Mr. Asquith to those gentlemen to whom he referred to-day that the unanimous consent of the Dominions themselves would be necessary before those countries would have a representation in

connection with matters of vital importance to them affecting them, that I recognize the practical side of the view taken by Mr. Asquith in that respect, and that nothing that is done by me at this Conference so far as New Zealand is concerned will be put into operation without the Parliament of the country itself approving of it. I also wish to express the opinion that I am not at all sure that it is to be expected at either this Conference or future Conferences that matters of moment to any portion of the overseas Dominions should come from the overseas Dominions' Representatives themselves. I have no doubt that the British Government through the distinguished gentleman at its head could make proposals bearing on this matter satisfactory to the British people and possibly satisfactory to the oversea Dominions which would give effect in practical form to what I have been endeavouring to achieve and I should not like to see the limitation of proposals of that kind restricted to the unanimous approval of the whole of the oversea Dominions before their acceptance could be undertaken by the Conference itself.

I want to express my appreciation of the cordiality of the criticism, although adverse to the proposals that have been made by the Conference, and, like all British subjects, I accept the decision of the majority with perfect equanimity.

Mr. BATCHELOR: I would like to suggest to Sir Joseph that the form in which he has brought this matter forward renders it necessary for us now in voting on the resolution to vote on a resolution which is put without discussion. This resolution which you have here of course has not been discussed at all; it is quite a different proposition. The proposition here is totally different from the one, I think, which has been discussed up to the present. That was an Advisory Council on all questions as against an Imperial Parliament of Defence; so that we are really, in rejecting this resolution, rejecting it wholly without discussion.

The PRESIDENT: It was pointed out by Sir Wilfrid Laurier that that was so. I do not know whether Sir Joseph Ward wishes to have a division on the resolution as it stands, or whether he thinks the discussion has served its purpose.

Sir JOSEPH WARD: If I understand my friend, Mr. Batchelor, is prepared to support this resolution as it stands——

The PRESIDENT: He did not say that.

Mr. BATCHELOR: I would like to hear some discussion upon it.

Sir EDWARD MORRIS: It appears to me the debate will show that clearly.

Mr. FISHER: He would like to say he has not heard anything about it.

The PRESIDENT: After all, we have been discussing a concrete proposal put forward by Sir Joseph Ward, which we must assume is the manner in which he interprets his resolution.

Sir JOSEPH WARD: To make my own position clear, I do not want on the matter of the wording of the resolution, as against what I have been urging in the course of the speech I have made, to put anybody in a wrong position. In view of the expression of opinion of the members of the Conference against the resolution, I think it would be less embarassing for the whole of them, and certainly quite in accord with my own desire, that I should ask that the resolution, having been discussed, should be withdrawn.

The PRESIDENT: I think that is much the better course, and I am sure the Conference would agree with that

After a short adjournment.

RECONSTITUTION OF THE COLONIAL OFFICE.

New Zealand:—

'1. That it is essential that the Department of the Dominions be separated from that of the Crown Colonies, and that each Department be placed under a separate Permanent Under-Secretary.'

'2. That, in order to give due effect to modern Imperial development, it has now become advisable to change the title of Secretary of State for the Colonies to that of "Secretary of State for Imperial Affairs."

'3. That the staff of the Secretariat be incorporated with the Dominions Department under the new Under-Secretary, and that all questions relating to the self-governing Dominions be referred to that Department; the High Commissioners to be informed of matters affecting the Dominions, with a view to their Governments expressing their opinion on the same.

'4. That the High Commissioners be invited to attend meetings of the Committee of Defence when questions on naval or military Imperial defence affecting the oversea Dominions are under discussion.

'5. That the High Commissioners be invited to consult with the Foreign Minister on matters of foreign, industrial, commercial, and social affairs in which the oversea Dominions are interested, and inform their respective Governments.

'6. That the High Commissioners should become the sole channel of communication between Imperial and Dominion Governments, Governors-General, and Governors on all occasions—being given identical and simultaneous information.'

Union of South Africa:—

'That it is desirable that all matters relating to self-governing Dominions, as well as permanent Secretariat of the Imperial Conference, be placed directly under the Prime Minister of the United Kingdom.'

The PRESIDENT: The next item on the agenda is a series of resolutions proposed by the Government of New Zealand on the re-constitution of the Colonial Office and cognate matters. I do not know whether it would suit Sir Joseph Ward's convenience, and it might perhaps abbreviate and concentrate the discussion if before he speaks to these resolutions, he would allow Mr. Harcourt, on behalf of His Majesty's Government, to put forward certain suggestions of our own with regard to these matters.

Sir JOSEPH WARD: I shall be exceedingly pleased.

Mr. HARCOURT: Gentlemen, we have been made aware of the desire for closer co-operation and more continuous knowledge of the action of the Colonial Department between one Conference and another, and of all the subjects which are properly cognate to Conference work, and we have endeavoured to meet many of the points which are raised by Sir Joseph Ward's resolution, which is divided into six sections:—

(1) That it is essential that the Department of the Dominions be separated from that of the Crown Colonies, and that each Department be placed under a separate Permanent Under-Secretary.

(2) That in order to give due effect to modern Imperial development it has now become advisable to change the title of Secretary of State for the Colonies to that of Secretary of State for Imperial Affairs.

(3) That the staff of the Secretariat be incorporated with the Dominions Department under the new Under-Secretary and that all questions relating to the self-governing Dominions be referred to that Department: the High Commissioners to be informed of matters affecting the Dominions with a view to their Governments expressing their opinion on the same.

(4) That the High Commissioners be invited to attend meetings of the Committee of Defence when questions on Naval or Military Imperial defence affecting the oversea Dominions are under discussion.

(5) That the High Commissioners be invited to consult with the Foreign Ministers on matters of foreign industrial, commercial, and social affairs in which the oversea Dominions are interested, and inform their respective Governments.

(6) That the High Commissioners should become the sole channel of communication between Imperial and Dominion Governments, Governors-General, and Governors on all occasions—being given identical and simultaneous information.

I will deal specially with No. 1 and No. 3. On No. 4 the Prime Minister will have something to say when we meet in the Committee on Imperial Defence, and he will have some proposals to put forward, so we will, if you do not mind, omit No. 4 to-day. As to Nos. 5 and 6, I will either leave them over, or merely as a preface say that we should see very great difficulty about that direct communication, because it cuts across the theory of Ministerial responsibility, and of course you place the Governors-General of the Dominions and the Secretary of State here, in a very difficult position, if they were outside the ordinary course of communication between the Governments of the Dominions and the Home Government. I will not deal more particularly with that at this moment, but we may come back to it if Sir Joseph Ward wishes.

As to No. 1, what I may call the bifurcation of the Colonial Office, the division of the departments in the Colonial Office is already complete below the Permanent Under Secretary; that is to say, we have two Assistant Under Secretaries, one for the Dominions and one for the Crown Colonies, with a full department under each. It is necessary, of course, that we should have a third department in the Colonial Office. It would be wasteful to divide what we call the General Department, which includes the legal branch, the registry, the library, the accounts branch, the copying branch, the printing and other work of the General branch which deals with honours, and representatives at functions like the Coronation and so on, which are common, of course, to Dominions and Crown Colonies. But except for the Under-Secretary of State we have now a complete division. The suggestion here is that there should be two permanent Under Secretaries of State, one for the Dominions and one for the Crown Colonies. I am prepared, on behalf of the Government, if strongly pressed by the Conference, to accept such a change. But I should like to put before the Conference some points which I think show the disadvantage which would accrue internally here to the Office, and externally to the Dominions themselves. Internally, as you will understand, the difficulty of conducting an Office with two co-equal permanent heads is very great. In fact, in any case, there must be some man who is responsible for the final control of the Office, and, therefore, even with those two Under Secretaries, one must be constituted by some method or other the superior, for the general control of the Colonial Office as a whole. There is another disadvantage of separating the Office so completely in the permanent part of it. Then the only person who will have common knowledge of the work in the Dominions and the Crown Colonies at the same time will be the political head, who is liable to change at any moment, and carries his memory and knowledge of the two sides of the Office away with him, leaving only the two permanent officials separated absolutely in duty and interest and with no common knowledge of the work of the two sides of the Office.

There is, I think, another side affecting the Dominions specially. If they are looking to the interest of the Under Secretary who has to deal with Dominion work, many of them, I think, would feel that it is not to their advantage or his, that he should be wholly divorced from knowledge of the proceedings in the Crown Colonies, Protectorates and other places which are continguous to those Dominions. I cannot think that Australia and New Zealand would really like that their Under Secretary at the Colonial Office should have no knowledge of the work in and of the control over the Pacific and the islands which are situated in it. I do not think it would be for the convenience of South Africa that the Under Secretary, dealing with the Union Government, should know nothing of what was being done in the Protectorates or in Rhodesia or even in Nyasaland. I am not sure that it would be to the advantage of Canada that their Under Secretary should know nothing of the movements which might be taking place in the West Indies which are their neighbours. Those are the two kinds of objection which occur to me to the separation. But as I say, if the Conference really press it and see any advantage to themselves and to their Dominions from such a separation, we are willing to accept it and to carry it out, though, with some inconvenience, no doubt, in the Office, which I will say no more about.

Then I come to No. 3. I will not deal with it exactly in the words which are upon the paper, but I would like to make this suggestion. We have now a Secretariat which maintains a certain amount of correspondence with the Dominions, and has knowledge of the work which is going on, and carries out either the resolutions of recent past Conferences or prepares resolutions for the one which is approaching. I think the Secretariat has done admirable work in that respect under Mr. Just, and I am grateful for some words which Sir Wilfrid Laurier used in the Canadian Parliament a short time ago on that subject.

I quite understand the desire to extend the Secretariat, and the continuity of the work to make it a little more formal, but still to leave it a good deal of flexibility. We are prepared, if it would meet your wishes, to set up a Standing Committee of the Imperial Conference. You might call it a sub-conference if you like, but I prefer to call it a Standing Committee of the Imperial Conference, which would contain the Secretary of State, the Parliamentary Under Secretary, the Permanent Under Secretary—I am assuming for a moment you are not bifurcating the Colonial Office because if you bifurcate it it would contain only the Under Secretary for the Dominions—to whom should be joined the High Commissioners of all the Dominions or any representative in their place whom the Dominions liked to appoint for that purpose. In the case of Newfoundland, not having a High Commissioner, there would be a special appointment. And some responsible person in the Dominions Department should be appointed secretary to that Committee. That Committee would then, under the presidency of the Secretary of State, meet at intervals which may be as frequent as necessary, to consider the carrying out of any resolutions which may have come to at these Conferences—any proposals for the new Conference which is to take place and any subsidiary matters which seem to arise out of them, or any cognate matters which may be properly referred to it. It is important, I think, to say that such a Committee must be absolutely advisory and not executive. It would be a Standing Committee of the Conference which would be advisory, of course, of the Secretary of State and informative of all members of the Conference or rather of all Dominions constituting the Conference. The communications by the Dominions Governments to that Committee would naturally reach it through the Governor-General and the Secretary of State, but would, no doubt, be also made at the same time to the High Commissioners with such instructions as the Dominions wished to give them.

Sir JOSEPH WARD: Do you say the information would be given to the High Commissioners to enable them to make representation to their representatives on the Committee?

Mr. HARCOURT: No, to the representatives of the Dominions. The Dominions would, of course, instruct the High Commissioners as they wished.

The PRESIDENT: It provides for the case where a particular Dominion did not choose its High Commissioner but some other person, to represent it on the Committee.

Mr. HARCOURT: I think it would add to the flexibility, and to the value of such a Committee, if the Secretary of State had the power to summon to any of its meetings either the political or the permanent heads of other Government Departments here on any questions specially affecting them of which they had the best technical knowledge, and which might be raised at a special meeting of this Committee. Of course, it would be perhaps necessary for you, gentlemen, to define a little more clearly what is the status which you wish your High Commissioners to occupy here, because it is possible you might wish to have a special representative on this Committee and not always to be represented by your High Commissioners. It is really a matter for your definition of the status which you wish them to occupy in relation to these matters. We should equally be glad to accept, of course, special representatives, so long as there was not a very frequent change; because a very frequent change of individuals does not lead to continuity of knowledge or of work.

I do not know that I need say more as to the particular limitations or powers of that Committee. I think it would be a pity, if the Dominions agreed to the constitution of such a body, to tie it down too closely, but it is quite obvious that people outside and people inside ought not to derive, even from the earliest moment, any idea that it was to be an executive or legislative body, but only to be a committee for purely consultative and advisory purposes. It is proposed merely to meet what we view to be a general desire of the Dominions to be in closer touch, through their own representatives, with the Home Government.

Mr. FISHER: Or to have more efficient and quicker means of communication

The PRESIDENT: Both from you to us, and from us to you.

Mr FISHER: Yes.

Mr. HARCOURT: It is no real change of our relations but a strengthening of the unity of the Imperial Conference, which we are all happy to feel has come to stay as a permanent institution, and to make it more continuously useful both to the Dominions and ourselves.

Mr. BATCHELOR: Would that Advisory Committee make a joint recommendation?

Mr. HARCOURT: They would consider Conference questions, either past or to come, and would no doubt advise the Secretary of State, who is a member of it. They might arrive at decisions, but have no power to enforce those decisions. Those decisions would be communicated to the Dominion Governments by the Secretary of State through the Governor-General and by the High Commissioners themselves to their own Governments, and would be a matter for future correspondence or for a subsidiary Conference here.

Sir EDWARD MORRIS: There is just one question I would like to ask. Once that Committee were constituted, how would their decision be carried out? Would it be communicated jointly to the Governor-General and to the Government?

Mr. HARCOURT: It would be my duty to communicate to the Governor-General. It would be the duty of the High Commissioner to communicate under the instructions of his own Government to them.

The PRESIDENT: Of course it would be *ad referendum*. The Governments must determine: just like the resolutions of this Conference, they have no executive authority.

Mr. HARCOURT: We are assuming this Committee would be dealing with certain questions which the Conference and the Dominions are anxious to see carried to a conclusion. This will be a sort of committee which will carry to a conclusion those resolutions, and recommend the best method of carrying them out.

Mr. MALAN: Has the necessity for such a committee been felt by the Imperial Government or by the Colonial Office here?

Mr. HARCOURT: No, I cannot say that. This is suggested in order to meet what we thought was a want felt by the Dominion Governments. Of course, my communications are very full with the Dominion Governments through the Governors-General, and my knowledge of every movement there is very full by my personal communications with the High Commissioners, and I may say since I came into office, besides seeing the High Commissioners at any moment on any special subject, I have arranged to meet the High Commissioners of all the Dominions once every month, even though there may be no questions calling for special communication, so that we may talk over all matters they might wish to raise even without wishing to ask for an interview specially.

Mr. MALAN: I have seen the Reorganisation White Paper* which has been distributed, giving the arrangement as it was given by Lord Elgin and communicated to the different Governments in September, 1907, giving the three departments of the Colonial Office now under the Permanent Under Secretary, namely, the Dominion Department, the Crown Colonies Department and the General Department, and there are four Secretaries appointed under that. I must say as far as the Union of South Africa is concerned, and I think General Botha will agree with me, I am speaking now more especially as the Minister of the Cape before the Union—that we found that arrangement worked very satisfactorily.

Mr. HARCOURT: You are dealing with question No. 1, the question of bifurcation—that is, you do not feel you desire any further bifurcation?

General BOTHA: No, we do not.

Sir WILFRID LAURIER: As the representative of New Zealand has put forward a proposition, it would be advisable to hear him now, and I should, for my part, be happy to hear his views.

Dr. FINDLAY: Do I understand it to be suggested that this Committee would have the function and jurisdiction to deal with the minor questions appearing on this agenda paper?

Mr. HARCOURT: They would, subject to the desire of the Dominoin Governments, be qualified to deal with all Conference questions.

Dr. FINDLAY: They would be all brought forward between the different conferences.

Mr. HARCOURT: Yes, they would; but I think I ought to say, on important questions as to which there was any doubt as to the desirability of the Committee dealing with them, I should feel bound to consult the Dominion Governments through the Governors-General before such a matter was submitted.

---

* *See* [Cd. 3795].

The PRESIDENT: Perhaps I may say I have received a message from the King, which ought to be communicated without delay, I think, to the Conference, in these terms: "His Majesty the King desires to thank the Imperial Conference for their assurance of the devoted loyalty of all portions of the Empire represented at the Conference. The King is well aware of the affectionate feelings of his subjects to his Throne and Person, and he has received the resolution with particular pleasure, being, as it is, the first act of the Imperial Conference at its first meeting. The King was delighted to welcome the Prime Ministers on their arriving to join the Conference. He is keeply interested in its deliberations, and he trusts the Prime Minister will convey to the peoples of their respective Dominions an expression of His Majesty's deep regard for their welfare and a hope for the continued prosperity of their lands."

Mr. HARCOURT: I will send that to the Press this afternoon.

The PRESIDENT: Now, Sir Joseph, we should like to hear your views.

Sir JOSEPH WARD: I would like to explain why I felt it necessary to give notice of motion, and I want to state for the information of those who, perhaps, may have forgotten what took place at the last Conference, in 1907, in relation to this first resolution, that Mr. Deakin at that Conference, urged that the Dominions should deal direct with the Prime Minister of the United Kingdom. The objection to this proposal, which was pointed out at the time, was that the Prime Minister had already infinitely too much to do. What would appear to affect this proposal is embodied in Resolutions Nos. 1, 2, and 3. For the purpose of dealing with the view put forward by Mr. Harcourt, I would rather like to deal with the three together.

Now, the main object of the resolutions that I have given notice of, is to seek to obtain the creation of some form of organic machinery sufficiently representative of the Self-Governing Dominions to discuss and advise upon the various questions of growing importance which relate to those Dominions in relation to the Empire. Now I understand from Mr. Harcourt that, if strongly pressed, to use his own words, by the Conference, he is willing to accept the change suggested in Resolution No. 1. In deference to Mr. Harcourt's knowledge of his own Department, and in the absence of the necessary detail, without which one would not be presumptuous enough to set up his opinion against Mr. Harcourt's, I would not press for divided control if Mr. Harcourt states it is necessary to have single control as at present. I fully recognise that you must have one sufficiently superior officer, and I recognise the disabilities created by a political head being put in the position of a permanent officer. He is subject to change, and the new political head would be put in the position of a beginner. As far as the oversea Dominions are concerned I see the disadvantage pointed out in that respect. The important aspect to my mind is that pointed out by Mr. Deakin in 1907, and I think some different machinery is necessary. In the oversea Dominions we feel that upon very important matters, though without any fault whatever upon the part of the Colonial Office—and I want to bear out the South Africa's Representative's position in that respect—frequently in our country though well informed from the inside, we are not in a position to arrive at what I would call clear definite views in deciding matters in New Zealand that affect our own interests and affect the Empire as a whole. The proposal is to have a Standing Committee of the Secretary of State, the Political Under Secretary, and the Permanent Under Secretary, with the High Commissioners—a point upon which I wish to be quite clear—who in connection with that Standing Committee have no power. I infer that to be so though Mr. Harcourt did not say so. I infer they are there simply for the purpose of giving information to the Standing Committee.

Mr. HARCOURT: No, I considered that we were all equal, and if it came to a vote we should all vote. We have no power of enforcing decisions, but we should be all equal there.

Sir JOSEPH WARD: I understand that it is to be an advisory committee as far as the Imperial Government is concerned consisting of gentlemen including the High Commissioners or any other gentlemen the Governors might select, with a view to dealing with important matters which affect the oversea Dominions. I am not quite prepared to commit myself definitely, without a little consideration, to the proposal of the High Commissioners occupying that position. Necessarily the High Commissioners are under the direct authority of their respective Governments, and we are very often in our country in the position—I am—of asking for information quite outside the Colonial Office—not anything inimical, but anything that was going on between the Governments and the Colonial Office, and asking the High Commissioner to obtain certain information for the guidance of the Government of New Zealand, with a view to our arriving at a decision to be conveyed finally through the Governors to the Secretary of State for the Colonies. I just foresee the possibility of the High Commissioners being placed in a somewhat embarrassing position. If they are upon a committee upon which they have to vote, their independence, as far as the Government is concerned, would not be interfered with, but it would, I think, diminish their position as a channel we want to work through from time to time to obtain information for our guidance. Upon that point I would like proper time for consideration, because, so fas as I know, the men whom we send here as High Commissioners, are good men, representing all the countries, and, without some consideration, I should not like to place them in an invidious position.

Mr. HARCOURT: I only suggested the High Commissioners because they are the only people I could very well suggest; but I particularly said "or any other representatives whom the Dominions might like to suggest."

Mr. FISHER: Yes, you said that.

Sir JOSEPH WARD: That is so; but I am dealing with that particular idea as it occurred to me. I think that the proposal is a step in the right direction, and I hail it with a very great deal of pleasure from that stand point, and without in any way reflecting upon the work of the Colonial Office, because my experience has been that the work done by the Secretariat created after the last Conference in 1907 has been done excellently. I know nothing to the contrary. Everything I know is really of a very favourable character.

Regarding the proposal made for the High Commissioners being the channels of communication, I recognize what Mr. Harcourt says; but I want to point out what occurs in practice—and I speak subject to the local knowledge of the Prime Minister and the Secretary of State for the Colonies, who are here. The Governors in our country take the place of the King; they are his representatives. We are not infrequently in the position of having a double channel of communication—the Governor is advised upon a matter, the High Commissioner is advised upon a matter. We receive frequently a duplication of the information. In the Old Country I understand that all that information comes to the King from the administrative head of the Government—a copy of everything of importance goes to him.

The PRESIDENT: Not always through the head of the Government. For instance, the Secretary of State for Foreign Affairs every day sends despatches and letters to the King, in the first instance.

Sir JOSEPH WARD: Yes, but it does not go direct to the King from anyone outside the British Government?

The PRESIDENT: Certainly not.

Sir JOSEPH WARD: In our country, experience has shown me at all events that we frequently have a duplication of the work. We all lead pretty busy lives,

and it is only with a view to having what I call the most effective machinery, that I desire to have established in our country as the outcome of this resolution a system similar to what you have between the King and the British Government. I am unable at the moment to see, although it has occurred to me you with your knowledge of detail here might be able to see, except in the case of a secret note or anything of that kind requiring to be sent to the Governor or Governor-General, where the disability would arise if those communications were sent out through the High Commissioner. The point in my mind when I gave notice of this resolution was to see that anything you wanted to convey to the Government came to the High Commissioners, so that it would be received *instanter* by the Government and conveyed *instanter* to the Governor. If the action of the Government could be taken only subsequent to the Governor himself receiving the despatches, everything would go on in the ordinary way. I propose that entirely from the view of facilitating the work between the Home Government and the Dominions.

Mr. FISHER: That is No. 6?

Sir JOSEPH WARD: Yes. Mr. Harcourt referred to it in his remarks. The reason that prompted me in putting that resolution was not with an idea of finding fault with the existing conditions, or suggesting a change merely for the sake of having a change made, but with a view of expedition of business between the Home Authorities and the oversea Dominion Governments, without displacing the Governor or do anything to affect the channel of communication that the Secretary for the Colonies is in the habit of sending information through.

Mr. PEARCE: As regards No. 6 you do not mean that the High Commissioner should be the sole channel of communication to the Governor-General?

Mr. HARCOURT: The Governors-General are cut out.

Mr. FISHER: Would Sir Joseph Ward say what the words of his resolution mean?

Sir JOSEPH WARD: That the High Commisisoner should become the sole channel of communication between the Imperial Government and the Dominion Government.

Mr. HARCOURT: That is really the end. The rest is an explanation.

The PRESIDENT: Literally read, that would seem to cut off all communication between the Secretary of State and the Governor.

Mr. FISHER: Yes, this wording makes it rather difficult. If it is punctuated differently it is all right.

Sir JOSEPH WARD: I do not mean that. I mean matters which require to come to the Government. All I am anxious to insure is that there should not be two different channels, and that we should have the opportunity of sending on to the Governor everything that comes to us that affects the Government. All matters of communication which the Secretary of State requires to make, on which consultation between the Governor and the Government would be necessary, would remain as at present. I only suggested this for the purpose of getting a better method of conducting our business between the two.

Mr. Harcourt suggested that the Secretary of State should have power to summon the political or permanent head of any other Department—that is to the Committee.

Mr. HARCOURT: Yes.

Sir JOSEPH WARD: That is the Government head of the Home Department?

Mr. HARCOURT: Yes, the political or permanent. Say on the question of emigration, it might be desirable to have the President or the Secretary of the Local Government Board, or on questions of naturalization, the Home Office.

Dr. FINDLAY: As a member of the Committee?

Mr. HARCOURT: I really do not contemplate that Committee ever coming to a vote, and therefore I have not considered the question. A committee which had to come to a vote on these matters, which were purely advisory, would not be very valuable. Certainly its votes, or a matter which was defeated by vote, would not lead to an effective result. Therefore I do not contemplate it from that point of view.

The PRESIDENT: It would be very desirable to have the Foreign Secretary there at times.

Mr. HARCOURT: Very.

The PRESIDENT: That is just the sort of information they want to have, and at present they do not get.

Sir JOSEPH WARD: I think that is a very important point.

The PRESIDENT: As you were speaking this morning about treaties, it might be very useful to have a body to which the Foreign Secretary could be summoned to explain exactly what the position was.

Sir JOSEPH WARD: It would be very valuable indeed. What was it you said with regard to the status of the High Commissioners?

Mr. HARCOURT: It was really leading up to what you have now said. I thought it might be possible that some of the Dominions might not wish their High Commissioner to be necessarily an *ex officio* member of this Standing Committee of the Imperial Conference. I do not know precisely what view you take of the status of your High Commissioners—I am not talking of the individuals but of the office—whether you wish to regard them as representing the Government for all purposes here, or more in the nature of commercial agents of high standing. There are various views which may be taken by different Dominions. If you are going to accept the idea of the High Commissioners being *ex officio* members of this Committee as representatives of the Dominions, then you have to decide that that is really the status you wish your Commissioners to hold in this country.

Dr. FINDLAY: I suppose there would be no objection to associating somebody with the High Commissioner.

Mr. HARCOURT: I think it would be a pity if you, by association, made the Committee unwieldy, because we know very well committees, when they have got past a certain number, have at once passed their usefulness.

The PRESIDENT: Really, the suggestion as to the High Commissioners put forward by His Majesty's Government is merely tentative and for consideration, because you know a great deal better than we do, and we want to know your views, as to the position you desire your High Commissioners to occupy. We have no opinion one way or the other.

Sir WILFRID LAURIER: The whole object of this motion is, as I understand the motions that go before it, to provide a means of communication between the Imperial Government and the autonomous Governments of the Empire. Such a means of communication already exists, and, for my part, I must say that we are

quite satisfied with the present system. The Colonial Office has been reorganized some three years ago, and I repeat what I said in Parliament, that in its present form it has given to us at all events, in Canada, ample satisfaction. As to whether it would be advisable to further bisect the present organization, or put it on a different political standing, though I and my colleagues are satisfied with what exists, we would not offer any objection if the other members of the Conference are disposed to press that point. The matter is not, according to our judgment, one which we feel strongly upon, but is one upon which we should defer to the wishes of our colleagues if they thought it preferable to press it forward. There is no difficulty with regard to that. One difficulty, however, and a serious one, arises in regard to the Committee which it is proposed to organize. What will be the position of that Committee? As I understand it will have submitted to it matters which affect one particular Dominion, and as to which perhaps there may be a difference of opinion between the Home Government and the Government of the Dominion. Is such division of opinion to be submitted to that Committee to advise upon, and is it to carry a proposition as to the solution of it, by vote? If so, this would seem to me a very cumbrous system and a very unsatisfactory one. It will give a case in point. Questions may arise between the autonomous Governments and the Imperial Government upon some matter as to which there may be some difference of opinion. That difference of opinion had much better be settled between the Home Government and the Government interested, than referred to another body, which would not be responsible to anybody.

Sir JOSEPH WARD: That same objection applies to the meeting of a Conference like this.

Sir WILFRID LAURIER: No, we are representatives here, and we are not dealing with actual questions which we have to decide, but simply offering suggestions. But take a case in point: Some years ago we had in Canada a very important question, namely, the settlement of the boundary between part of His Majesty's Dominion of Canada and the United States in Alaska. It was a delicate and difficult question, and we had correspondence going on for weeks and months between the Dominion Government and the Imperial Government. We, of course, had to have the assent of the Imperial Government, because though we were the most interested, they were interested also, as we were a part of the British Empire. We contended the boundaries were at a certain point; the United States contended they were at another point. We had to come to a solution, and we decided to refer it to arbitration. So far there was no difficulty because we should all agree that arbitration is the best manner of settling any such differences as may arise. But when we came to consider the composition of the tribunal, if I may say so without breaking any secret, we had differences with the Imperial Government which, by correspondence, we settled. Suppose there had been such a committee as is now suggested in existence at that time and that committee had been seized of the question and had suggested a solution which, perhaps was not agreeable either to the Imperial Government or the Dominion Government, or, if satisfactory to the one, not satisfactory to the other.

I do not see that the Committee would be of the least advantage over the present system by which we should settle such a question—as we did settle it then—by mutual correspondence. I fail to see in what way any question which may arise could be solved in any manner at all better than we have at this moment. I do not know that I would press the point much further than that, but I do not see any advantage in a committee of this kind to discuss and determine matters of this nature, which are altogether of the purview of the Dominion Government interested and the Imperial Government. If there had been in the past any example where the solutions had not been satisfactory, or if there hade been a grievance of any kind which had not been met, I could understand this remedy being suggested, but, so far as I am aware, no grievances of any kind have not been remedied—if any existed.

Now with regard to the status of the High Commissioners. Their status is one which is somewhat delicate, because the whole of the constitution is something new, which has never existed in the world before, for which we have no precedent, and which we have to create ourselves. The relations between the Imperial Authorities here and the Dominion Governments are themselves peculiar, as the Conference in which we are engaged is peculiar. The High Commissioner is, first of all, a representative of the autonomous Government, not only with the Government of Great Britain, but with the whole British people. The High Commissioners stand all the time for their respective Governments before the British people. They are not only ambassadors, their position in one respect is far larger; but in a technical sense, with regard to the Imperial Government, they are in the position of ambassadors, they are in the position of confidential agents. We communicate direct with the Imperial Government, that is to say, the Governor-General communicates direct with the Imperial Government, but I am sure there are constantly occasions when a despatch is sent to the High Commissioner asking him to press the matter on and to see the Secretary of State for the Colonies and represent to him the views of the particular Dominion Government. We know that besides the official despatch there is the confidential talk, in which more meaning is conveyed than in a despatch. The High Commissioners are expected to come, or at least, many of them do come, to the Secretary of State for the Colonies to represent that the Dominion Government has sent a despatch to him on some particular question, but he wishes to press forward this or that consideration which is not included in the despatch. Therefore I think the High Commissioners serve a very useful purpose, and for my part I do not think the present arrangement can be improved; but, as I said a moment ago, if you all thought it would be better to further bisect the present Department, I am content to go with you, though I feel content with the position of things as they are.

The PRESIDENT: I should like to interpose, in view of what Sir Wilfrid Laurier has said, to say that in our view, putting forward our suggestion of the Standing Committee for your consideration, we did not intend that any question should come before the Standing Committee which is not of common interest to the whole Empire.

Sir JOSEPH WARD: That is my view.

The PRESIDENT: Such a class of question as Sir Wilfrid Laurier has referred to, that is to say, questions arising between the United Kingdom on the one side and one of the Dominions on the other would scarcely, in our view, come before such a Committee.

Sir WILFRID LAURIER: I would like to have a concrete case which would come before them.

Sir JOSEPH WARD: I would point out that Sir Wilfrid Laurier and myself are looking at the proposal from an entirely different standpoint. As I understand the suggestion made by Mr. Harcourt regarding this permanent committee, it is to deal with Imperial matters. To use his own words it is to deal with any resolution arrived at by the Conference, or prepare work for a future Conference. I should not myself be an advocate for questions as between the Dominion Government and the Home Government going to that Committee, because I think it would be embarassing, and, in addition, I think the present system so satisfactory that, as Sir Wilfrid Laurier said, we could hardly improve upon it. For that reason I take it that any matter which that Committee would deal with would be of a nature quite outside a question of that kind.

The PRESIDENT: Yes. Sir Wilfrid Laurier has asked for a concrete case. I might take any of the subjects which are on the agenda here for this Conference.

Take such a matter, for instance, as emigration and immigration. There are certain aspects of that which affect the whole Empire.

Sir WILFRID LAURIER: Yes, but in what respect could such a Committee confer and determine about it. They could not determine upon legislation?

Sir JOSEPH WARD: They could make recommendations.

Sir WILFRID LAURIER: I would be very chary for my part of having a recommendation which would be suitable to one section and not suitable to another.

Sir JOSEPH WARD: Then you need not act upon that.

Sir WILFRID LAURIER: But if you have a recommendation sent to you and you do not act upon it, you give a weapon at once to somebody to attack you upon it. There is such a position in Canada. I do not know that there is one in New Zealand, but I would not like a Committee to pass and send to us a resolution which we could not act on. Take a concrete case. Take the Asiatic question: there is no more difficult question that that to deal with. The Home Government has views upon this question which perhaps we do not entertain. They have difficulties in India which they must take cognizance of, but we have difficulties in our countries also. You have questions of this kind debated by this Committee and they pass a resolution and send it to you and me and Mr. Fisher, calling for either administrative or legislative action which for my part I would not like to take, perhaps, or it might be suitable to you and not suitable to another. I do not see clearly what good point could be served. I see very clearly what adverse point might be made.

The PRESIDENT: Those are very wide considerations. All I wanted to make clear is that we do not propose that a question which only arises between the United Kingdom and one Dominion would, under any circumstances, come within the cognizance of this Committee.

Dr. FINDLAY: Mr. Harcourt pointed out that, unless there was unanimity, the recommendation would not have any effect. I suggest that with regard to certain matters on the present agenda paper unanimity might be arrived at by such a committee as suggested, and thus save the work of the whole Conference

Mr. BRODEUR: That is under the organization arranged at the last Conference, which provided for a subsidiary Conference.

The PRESIDENT: And we had one last year.

Mr. HARCOURT: This is more in the nature of a continued subsidiary Conference on Conference matters.

Mr. FISHER: These recommendations seem to cover two points,—a more efficient arrangement of business by the Secretary of State's office with regard to the overseas Dominions, and the status of the High Commissioners of the Dominions, who represent their Governments in London. The duties and functions of a High Commissioner, so far as they relate to the Government of the United Kingdom, are very much of a dual kind, and no one can say where they begin and end. My own view is that a High Commissioner is a useful officer here. Canada is more fortunate than Australia in regard to distance. We are far away and although we have the same means of communication by wire, it is a very much longer time before the Governments there can see despatches with the details of any matters of importance. Our High Commissioners are a much more convenient channel. If we more fully inform them, they can, as the representatives of the Dominions here, discuss all the matters of detail which you would not like to put in a despatch for

record and reference, and inform the responsible Ministers of the United Kingdom as to the views of the Governments of the overseas Dominions on any particular matter.

The Government of the Commonwealth view the functions of the High Commissioners in the very broadest sense, and I think, perhaps, they will be the most useful channel through which we can communicate our views in detail, and inform the Government of the United Kingdom, who have the care of all parts of the Empire, what we really have in our minds. Regarding the point raised by Mr. Harcourt as to a Committee being constituted by the High Commissioners of the Dominions, or other persons duly appointed by the Dominions, to meet as a council, or rather deliberative body and take a vote, even on matters of common concern, I have the greatest doubt.

Mr. HARCOURT: I never contemplated a vote. It was quite new to me.

Mr. FISHER: Another thing I should like to ask is whether the Government contemp'ate keeping a record of these consultative deliberations. I doubt the wisdom of even having a record of them. What we have in our minds is that you shall have a person with you in close consultation, who will be more directly in touch with the Governments of the Dominions, and who can be a more speedy means of communication between you and us, without in any way making it in such an official way as to be binding directly on His Majesty's Government here, and the Governments of the Dominions.

The PRESIDENT: The High Commissioner does it now.

Mr. FISHER: Yes, but it is practically extending the functions of the High Commissioner to a consultative authority, not only to go to you at the request of the Government on an important matter, but who may be invited by the Government here to consult on any matter they think of sufficient moment, and that calls for immediate consideration. A question was asked were there any matters where such an arrangement would be more efficient than the present one. I think the question raised on the Agenda by Australia as to the wisdom of the Declaration of London being approved of without any of the Dominions knowing anything about it is an instance. I am sure that the Governments of the United Kingdom and the overseas Dominions are more or less interested in that. That is only one point that has arisen. I will not discuss the merits of it. Other points are bound to arise with growing Dominions and the growing power of the Government.

I agree with Sir Wilfrid that this consultative body, whatever function may be recommended to it by this Conference, should not have any power to minimise the present autonomous powers of the oversea Dominions, and it shall certainly not minimise the power which rests with the Government here. The other point remains that official communications through the representatives of His Majesty in the oversea Dominions, the Governors-General and the Governors, must on the very merits of the matters and the channel through which they pass, be stricter in their language and very official. I was wondering whether it would not be better that this body, if it is consultative, should not rather come under the Foreign Office than under the Secretary of State for the Colonies. Sir Wilfrid was rather in doubt on that point.

Sir WILFRID LAURIER: I am in doubt upon the whole point.

Mr. FISHER: I know; but I would respectfully submit to the President and Members of this Conference that these recognized nations undoubtedly will feel themselves more and more, as time passes, desirous of entering into the spirit of the policy that governs the Empire. They will desire to act their own part; and just as

we ask higher powers for the High Commissioners, so will they increase as the power of the Dominions increases, and they may desire to talk not only with the Government of the United Kingdom, but in time perhaps, with representatives elsewhere. But that is not a matter for the moment, but for the future. A question might be suggested as regards another local matter. It was raised by Sir Joseph Ward to-day, as to the control of the Pacific. Certain of the islands of the Pacific are under the direct control of the Imperial Government. The interest that they have in looking after them is common with us, but we are, of course, more nearly affected by anything that may be done than even the Mother Country is. That is a matter where we might be able to make representations through the High Commissioner, or it might be through a Minister of the Dominion, who was at a particular time here on other business, or on a particular question. Without making it a question of contest between the two Governments, long before we disagreed on any point you would have the matter fully considered and sifted by personal discussion by men well informed on both sides, and if there was a difference it could be brought down to the exact point where the difference arose, and could be more easily settled.

Mr. Asquith has said that we are here representing the views, to the best of our opinion, of the Dominions. At the same time, all our decisions are subject, not only to the consideration of the Government, but also to the consideration and approval of our own Parliaments, and therefore it carries us no farther than that—a stern, deliberate opinion of the members of this Conference that such a channel might very well be approved and experimented with. Of course, the whole Constitution, under which we so happily meet together to-day, has been developed on those lines. Therefore, while I agree with much of what Sir Wilfrid Laurier said as to the whole Constitution having worked very well until now, at the same time he represents a great Dominion which has not hesitated from time to time to make innovations and suggestions. I think he might very well give us the lead in this matter in endeavouring to at any rate give the High Commissioners or other persons, by resolutions of this Conference, some definite and distinct authoritative power to enter into these negotiations and discuss them as an officer of his Dominion, responsible to the Government of the Dominion, with His Majesty's Minister for Foreign Affairs, say, or the Prime Minister. In my short experience of inner official life, I am apprehensive of the difficulty of defining what should go through the representatives of the King, and what should go through the High Commissioner. All matters strictly official seem to belong to the one, and all new matters requiring urgent discussion and immediate decision, I think, may very well be recommended through the High Commissioners. Perhaps my colleagues would like to say a word on this question. It is a matter we feel strongly about, and I should be glad they may be allowed to express their views on it.

The PRESIDENT: Certainly. Whilst I have listened with great interest to what you have said, I do not know whether I am drawing a proper inference or not, that you do not look with very much favour on the constitution of this Committee. You have not said a word in its favour.

Mr. FISHER: I think I pointed out that I did not desire that this advisory Committee should be a deliberative body. Certainly I do not desire that it should have any record.

The PRESIDENT: But do you think it will serve any useful purpose?

Mr. FISHER: Yes: I think that a consultation here by representatives of the Dominions is a very effective means of discovering the ideas and views of the Governments, which you have not time to discover because you cannot visit the Dominions and go to the Governments themselves. The High Commissioners are

nearly always men who have recently come from oversea Dominions, and are more in touch with the views and affairs which immediately concern them.

The PRESIDENT: I only wanted to know whether you smiled or frowned or were absolutely indifferent to the idea of the Committee, or think it would do any good.

Mr. FISHER: If the Committee is a Committee to interfere by vote and embarrass the Dominions I am not in favour.

Sir JOSEPH WARD: I am against the Committee voting, at any rate.

The PRESIDENT: I do not think anybody suggested it should take a vote.

Mr. FISHER: And I am against any record.

The PRESIDENT: Why are you so averse to a record?

Mr. HARCOURT: It would not be published.

The PRESIDENT: The only body I know of which keeps no minutes of its proceedings is the Cabinet. I do not know whether it is so with you.

Mr. FISHER: We do not.

The PRESIDENT: But it is the immemorial tradition of the British Cabinet to have no record of any sort or kind.

Mr. FISHER: I think he was a very wise man who advised that.

The PRESIDENT: There is not a board of directors of any company that does not keep a sort of agenda or minute book.

Mr. FISHER: The Prime Minister said the High Commissioners at present have access at any time, but would there be any harm in their having consultative access?

The PRESIDENT: I suppose it is consultative.

Mr. HARCOURT: They have that consultative access now. They come to me sometimes every week and we discuss every detail of things in which their Governments are interested.

The PRESIDENT: The question is, is it in addition worth while having the High Commissioners assembled with these other officials and talking things at large?

Mr. FISHER: You have adopted the principle of this already. You only want it confirmed.

Sir WILFRID LAURIER: Let me give a case in point. I am sure it exists to-day, even in the present condition of things, apparently in Australia they have given a great deal of importance to the Declaration of London. The Declaration of London is simply an agreement between the Powers which has not yet come into force. If you, Mr. Fisher, instructed your High Commissioner to represent to His Majesty's Government your objections to this agreement, Sir George Reid would come here and see somebody on this subject, or the Foreign Secretary, and put forward his objections. His objections would be weighed by the Cabinet; the Declaration of London is simply a proposed Treaty with certain Powers. It has yet to be passed.

The PRESIDENT: It is not yet ratified.

Sir WILFRID LAURIER: It is not yet ratified. Therefore all the objections you have to the Declaration of London could be stated by Sir George Reid on a suggestion of yours.

Mr. FISHER: No. If you will allow me to say so, that is perhaps the weakest argument you could bring forward. We, rightly or wrongly, hold the view that it would be wise, indeed that it would be an advantage, if the Government before they entered into a treaty involving the interests, not only of the United Kingdom but of all the Dominions, made the Dominions acquainted with what was in their minds and what they were proposing to do, and not wait for opinions until after they had entered into negotiation and practically completed a treaty with a dozen or twenty other Governments, some of them small and unimportant, who certainly knew all about what was going on in that negotiation, while we knew nothing until the matter was completed, and we have nothing to do but accept it or leave it. That is not a time when the Commissioner can go to the Government and say: "Here is a treaty; you should not ratify it," when it has already all the weight of the Government of the United Kingdom, acting in the best interests of all. We consider it ought not to have been done until we had known something about it and had an opportunity of representing our interests. That is where the High Commissioner should come in. If the Secretary for Foreign Affairs had communicated with the High Commissioner in a confidential way he could then have represented the views of the Dominion, in the most secret way, to the Government. By that means we would get over many difficulties which are now presented to us.

The PRESIDENT: That goes to say that it might be done, and in your view ought to be done, at an earlier stage; but it is too late in the day to bring the High Commissioners in.

Mr. BATCHELOR: In dealing with the Declaration of London, I wish to point out that in August, 1909, the Australian Government made representations as to the feeling of the Commonwealth against being committed to the Declaration without consultation, but a reply came from the Secretary of State that it was then too late to make any alteration. That was the first intimation Australia had that certain arrangements were proposed to be concluded and had almost reached the stage of ratification. The Australian Government were prepared to put forward suggestions for certain alterations, but in view of the reply that it was too late, they were not forwarded. However good or bad the suggestions might have been, or however they might have commended themselves to your Government, it was then too late. That was our position and we felt that, under the circumstances, the Dominion Governments were not adequately considered.

The PRESIDENT: I should like you to mention this point, if you will, when Sir Edward Grey is present, because I do not carry in my mind, as you may well imagine, all the details. No doubt you are perfectly accurate, but I should like you to make the point to him. I see your point, which is that you ought to have been taken into counsel, or had an opportunity of making your feelings felt at an earlier stage.

Mr. FISHER: In the most secret and confidential way.

The PRESIDENT: I quite understand.

Mr. BATCHELOR: There is another point of view in addition to consultation with the Imperial Government, and that is the consultation that would be possible under the suggestion Mr. Harcourt has thrown out. If this committee were to meet each other—the representatives of Canada and Australia and New Zealand—they would also better understand the difficulties which one or other of them might

have in regard to some of these suggestions. At present the only way we can learn the view which Canada takes on any matter is by Canada communicating straight to the Secretary of State for the Colonies, and it being sent on to our Government.

The PRESIDENT: That is an argument for a committee.

Mr. BATCHELOR: Yes, for a committee. I am saying there are some reasons why this committee would have some advantages, I am inclined to think. You have a monthly meeting of the High Commissioners now with Mr. Harcourt.

Mr. HARCOURT: Not a meeting of all the High Commissioners together, but every month I see them individually, whether they wish to see me or not, if I may put it in that way. But between those meetings, which are a new feature, I see them at any moment when they wish to do so upon any definite point.

Mr. BATCHELOR: The only advantage of the Committee would be that they would meet together.

Mr. HARCOURT: With other people added.

Mr. BATCHELOR: And consult.

Sir JOSEPH WARD: But not upon the same points which they see Mr. Harcourt upon, which would not come up before the Committee.

The PRESIDENT: The Declaration of London would, because that would apply to all.

Mr. BATCHELOR: There is another question which concerns two of the Governments. I do not know that it is raised by either of the Governments directly, but the question is where the High Commissioner for the Pacific should reside, a matter on which there is more or less difference of opinion, I believe, or there is said to be, between the New Zealand Government and ourselves.

Mr. HARCOURT: That is obviously not a Conference question. That would not come up.

Mr. BATCHELOR: Not in any case?

Mr. HARCOURT: Not before a Standing Committee of the Conference.

Mr. BATCHELOR: I suppose it would not. But there are several matters here which I think will very well come up, and when each Government had instructed its High Commissioner on certain principles and certain details of policy, there are still some other little matters which could very well be left to such a Committee.

Mr. MALAN: It seems to me that there are distinct questions covered by the discussion here now, and it would be perhaps advisable to take these questions separately. The first question is under which Secretary of State the affairs of the Dominions should fall. They now fall under the Colonial Secretary. Mr. Fisher has thrown out the suggestion that they may come under the Foreign Minister. The South African Government has sent in a resolution which I think could be discussed in this connection, that it is desirable that all matters relating to the self-governing Dominions, as well as the permanent Secretariat of the Imperial Conference, should be kept under the Prime Minister of the United Kingdom. As regards this I should say, Mr. President, that this resolution was sent in not on account of any dissatisfaction with the present arrangements, but rather with a view to raising the status of the Dominions, if I may put it so. If there are serious practical difficulties in the way of giving effect to the suggestion, seeing that it is not a very practical question, I do not know that we would press that very strongly.

The second point of the discussion is the question of the organization of the Colonial Office here. About that we also feel that the arrangements which have been made are satisfactory so far as we are concerned. If any alteration is to be made we think that it is a departmental question which could safely be left to the Minister in charge of that Department, and it is not so much a question for this Conference to go into.

The third question which has been discussed here now is the question of the Committee, which would sit more or less continuously, or be in existence continuously from one Conference to the other. As regards this Committee we feel that there are very serious practical difficulties. Take the constitution of that Committee. It has been suggested that the High Commissioner or somebody else should be on this Committee. As far as the High Commissioners are concerned, we feel that they are not selected as political agents in the first instance, but very largely as business men. The High Commissioner for the Cape, for instance, has to buy a great deal of material for our Government—railway material and other material. It would interfere with the selection of the High Commissioner if you have to look not only at the qualifications which we now look to in the appointment, but to the additional one of his being a semi-political officer to meet the Secretary of State here, together with representatives of the other Dominions, in conference, to discuss matters of high policy. Secondly, what question will go before this Committee, and who will decide it?

I understand first of all that the resolutions that have been passed by the main Conference will go before this Committee for giving effect to them, and other subsidiary matters; but who is to decide what questions are of vital importance and which are not? The President has said that no questions except those of general importance will go before this Committee—questions touching all the Dominions. Now a question may touch all the Dominions at its initial stage, but as you go along a difference may arise with a particular Dominion. Take the example that has been taken as to the law of emigration; that is a question which touches all the Dominions, but when draft Act has been put forward it is quite possible one Dominion may take objection to one clause and another Dominion to another clause, and there is that difference. If you submit that to a Committee are you prepared to override the opinion of your own Dominion Government by the advice of the others who may differ on other points but agree on this point. So that when you start you may have a question of general importance, but as you go along it may become only a dispute or difference of opinion between the Imperial Government and a particular Colony or Dominion, and then the argument raised by Sir Wilfrid Laurier very strongly applies. For these reasons we feel that we cannot improve on the present condition of affairs. You have in the Colonial Office a Secretariat dealing with questions touching the Dominions generally, and as time goes on, if, in giving effect to the resolutions, any difficulty arises in connection with any particular Dominion, the High Commissioner is consulted on the spot, but he is then in communication with his Government, and acts on the instruction of his Government. We do not think it would serve the interest of the Conference or of the Dominions in particular by having any change made in this sort of way.

Sir EDWARD MORRIS: The position we take up is that we are quite satisfied with the existing means of communication.

The PRESIDENT: I may point out what I think you already understand, that in putting forward the suggestion, His Majesty's Government did not in the least wish to press it upon the Conference unless it meets with general approval, and unless it is felt to satisfy a real want. I am bound to say that after listening to the discussion the conclusion I have come to is that so far as the majority of the Dominions are concerned they do not desire to have any substantial change in the matter of organisation or in the present arrangements. I quite realise the importance of

what Mr. Fisher has said as to the position of the High Commisssioner and as to his having opportunities of more frequent and direct touch with the Secretary of State of the Imperial Government; but that does not really affect the question of the Committee, and when I ventured rather to press Mr. Fisher to give me a definite opinion about that Committee, I could see he was not very much enamoured of it.

Mr. FISHER: It is not usual to put heat into a matter which is purely a consultative matter, but I was asking Sir Joseph Ward whether it would not meet the view he holds and the view the Conference holds to say that the Government should co-operate and give access to the High Commissioner on matters that may concern the Dominion prior to a decision being come to wherever possible, something on the lines of a general recommendation.

The PRESIDENT: That, of course, is a rather different point from the question of whether it is desirable that there should be such a committee as has been suggested.

Mr. FISHER: I do not think Sir Joseph Ward wishes to press for a committee.

Sir JOSEPH WARD: I hope the Conference will not abandon this proposed committee. I want to make the position quite clear to the members of the Conference who are here from the overseas Dominions. This Committee, as I understand, has nothing whatever to do with the ordinary communication with any department of our States, or any communications through the Governors. We are here to-day sitting at this Conference. When this Conference is over then with regard to any matters upon which resolutions are passed, or upon which strong views have been expressed, which are recorded in the proceedings, there is no connecting link in the shape of a bridge between this Conference and the time when we meet again four years from now. This Conference will have done its part all right, but there is nothing as I say, in the shape of a bridge to carry its business on until we meet again. This proposed Committee would deal with resolutions arrived at by the Conference, and deal with proposals which may come up between the holding of this Conference and the next one. I therefore regard it as of very great importance that we should have this standing committee on the lines proposed by Mr. Harcourt, and I only make the reservation that I should like a little time for more consideration with regard to the question of whether the High Commissioner could with appropriateness act on such a committee, but I certainly think there should be a committee. Keeping the point clear as to how the communications are to be made I would ask any members of the Conference to look at the records of the past Imperial Conference. If the record is looked at one cannot help being struck by the fact that some of the proposals we have assented to have not resulted in any practical good in the strict sense of the term. Take the very matter which Mr. Fisher alluded to on the first day of this Conference meeting here. There was no resolution passed at the Conference of 1907 upon the question of the Suez Canal dues, but strong representations were made, both by Mr. Deakin and myself, upon that particular point. I am not saying that the absence of any action is a matter that the British Government have not complete justification for, but I do say that between 1907 and now, if we had the opportunity of putting forward through a committee any matter that had been dealt with at the past Conference it could have been considered and discussed with the British Government, and some preparatory information probably made available for use at this present conference upon the same matter. I look upon this suggestion as very important. We should have through the agency of this Standing Committee a bridge between two conferences. If I understand the position correctly, there is no such point coming before this suggested Committee as, for instance, any individual representation upon the Declaration of London. I do not see how that would be remitted to such a Committee for consideration at all. I for one should object to it. I think such a matter

requires to be dealt with between the respective Government and the British Government and it is not a matter to be relegated for consideration by the High Commissioner on behalf of his Government.

Mr. PEARCE: Do not you think the High Commissioner would be a ready means of finding out what the Colonies thought on a question?

Sir JOSEPH WARD: That is a different point. I hope this proposed Committee will not be dropped. I look upon it as a step in the right direction, but I should, in principle, object to that Committee voting on any matter, because the whole essence of the proceedings of such a committee would be unanimity of decision; otherwise one Dominion could refuse to act, and then the whole spirit of co-operation would disappear. Such a committee, however, is what I want.

Mr. FISHER: What about a record being made?

Sir JOSEPH WARD: I think they ought to have a record of their proceedings.

Mr. FISHER: A record of all that has been said?

Sir JOSEPH WARD: I do not think that is necessary, but certainly a record of resolutions.

Mr. FISHER: I do not want a record of what is said.

Mr. HARCOURT: A record, if any, would be only minutes of the meetings.

Sir JOSEPH WARD: I do hope we shall not abandon the setting up of such a committee, because it is the only bridge we shall have between the conferences.

Mr. FISHER: Could we pass this matter by in the meantime, and try to draft some resolution in words which will meet the wishes of the conference in the matter?

Sir JOSEPH WARD: I should be quite agreeable to that, of course, if Mr. Harcourt concurs. It is a matter which requires a little consideration, and I am ready to meet the suggestion which has been made, that we should postpone it until to-morrow.

The PRESIDENT: To-morrow we are otherwise engaged, but it can be postponed until a later day.

Sir JOSEPH WARD: Yes, I think that would be better.

The PRESIDENT: If you think there is any probability of agreement upon the subject.

Mr. FISHER: It is only postponed for the purpose of drafting a proposal. We should not re-discuss it.

Mr. PEARCE: Might I make the suggestion that the Secretary of State for the Colonies should put his proposals in print and let us see them?

The PRESIDENT: Yes, if you like we will circulate a memorandum. I think that a most reasonable suggestion.

Mr. HARCOURT: Yes, I will do that.

> "That it is desirable that all matters relating to self-governing Dominions as well as permanent Secretariat of the Imperial Conference, be placed directly under the Prime Minister of the United Kingdom."

The PRESIDENT: Before passing from the subject, I should like to say a word in regard to a proposal made on the Agenda paper in the name of the Union

of South Africa—that the matters relating to the self-governing Dominions should be put directly under the Prime Minister of the United Kingdom. I earnestly hope that that suggestion will not be pressed. I do not know whether you realise that the office of Prime Minister in the United Kingdom is not a sinecure.

I would doubt very much whether there are many people in the world who have more things on their shoulders, and I really could not, nor could anybody holding my office, conscientiously deal with what is suggested. I should be only a figurehead, and it would be a fraud to represent the Prime Minister as really honestly dealing with the work of the Dominions Department. I have some figures here which are rather instructive. For the year 1910 the correspondence of the Dominions division of the Colonial Office shows: Despatches received, 6,043; sent out, 6,028. Domestic letters received, 5,310; sent out, 6,501. That is 23,882. Besides those there is a share belonging to the Dominions Department of other papers, giving a total of 27,000. I am told of those at least 1,000 had to be seen by the Secretary of State. I could not do that work, and it is no good pretending I could, nor could anyone in my position. Therefore I hope that this particular resolution will not be pushed forward. It is not from any disposition to shirk it, or indisposition to take upon myself any necessary duties, but because it could not be done; and I expect all my fellow Prime Ministers would agree with me in that.

Mr. HARCOURT: Sir Joseph Ward has asked me to say a word on his second resolution, in which he suggests a change of title for the Secretary of State. I think "The Secretary of State for Imperial Affairs," would obviously be unsuitable for any office which did not include India. It would indeed be an assumption which would be impossible. The only change I can imagine is that he should be called "The Secretary of State for Dominions, Crown Colonies, and other Possessions," and that is not a very handy title. Unless there is any serious objection to the old word "Colony" you will find that the English people, without attaching any derogatory meaning to the word "Colony," have an affection for the old title. A change could only be made by Act of Parliament, and it could not be made *ad hoc*, but there would have to be amendments in other Acts to bring them under the new title.

Sir JOSEPH WARD: I do not want to press it. I do not want to have a handle to your name which is too difficult for people to transcribe.

The PRESIDENT: I think the best plan would be for us to circulate a short memorandum explaining the suggestion of the Standing Committe—not a proposal, because we are not proposing it in any way—and then on a later day we can come to a final decision on the subject.

Mr. HARCOURT: The other resolutions as to interchange of civil servants we can conveniently leave for a day when we have some spare time, because I shall be prepared to deal with it at any time when the discussion has been shorter than expected, and we can thus relieve the agenda for to-day. To-morrow the Conference, by its own wish and at the invitation of the Prime Minister, will meet the Committee of Imperial Defence at No. 2, Whitehall Gardens, where there will be sittings on three days. Those sittings will be confined to the actual members of the Conference who sit at this table.

Mr. FISHER: I was going to ask a question on that point. My two colleagues are directly interested in the matter of defence.

Mr. HARCOURT: All those who are here.

The PRESIDENT: All the Ministers at the table.

Adjourned to Thursday next at 11 o'clock.

THIRD DAY.

Thursday, 1st June, 1911.

THE IMPERIAL CONFERENCE MET AT THE FOREIGN OFFICE AT 11 A.M.

PRESENT:

The Right Honourable H. H. ASQUITH, K.C., M.P., President of the Conference.
The Right Honourable L. HARCOURT, M.P., Secretary of State for the Colonies.
The Right Honourable Sir EDWARD GREY, M.P., Secretary of State for Foreign Affairs.
T. MCKINNON WOOD, Esq., M.P., Parliamentary Under Secretary of State for Foreign Affairs.

Canada.

The Right Honourable Sir WILFRID LAURIER, G.C.M.G., Prime Minister of the Dominion.
The Honourable L. P. BRODEUR, K.C., Minister of Marine and Fisheries.

Australia.

The Honourable A. FISHER, Prime Minister of the Commonwealth.
The Honourable E. L. BATCHELOR, Minister of External Affairs.
The Honourable G. F. PEARCE, Minister of Defence.

New Zealand.

The Right Honourable Sir JOSEPH G. WARD, K.C.M.G., Prime Minister of the Dominion.
The Honourable J. G. FINDLAY, K.C., LL.D., Attorney-General and Minister of Justice.

Union of South Africa.

General the Right Honourable L. BOTHA, Prime Minister of the Union.
The Honourable F. S. MALAN, Minister of Education.
The Honourable Sir DAVID DE VILLIERS GRAAFF, Bart., Minister of Public Works, Posts and Telegraphs.

Newfoundland.

The Honourable Sir E. P. MORRIS, K.C., Prime Minister.
The Honourable R. WATSON, Colonial Secretary.

Mr. H. W. JUST, C.B., C.M.G., Secretary to the Conference.
Mr. W. A. ROBINSON, Senior Assistant Secretary.
Mr. A. B. KEITH, D.C.L., Junior Assistant Secretary.

THERE WERE ALSO PRESENT:

LORD LUCAS, Parliamentary Under Secretary of State for the Colonies;
Sir FRANCIS HOPWOOD, G.C.M.G., K.C.B., Permanent Under Secretary of State for the Colonies;
Sir C. P. LUCAS, K.C.M.G., C.B., Assistant Under Secretary of State for the Colonies;

Mr. J. S. Risley, Legal Adviser, Colonial Office;

Sir Eyre Crowe, K.C.M.G., C.B., Foreign Office;

Mr. C. J. B. Hurst, C.B., Assistant Legal Adviser, Foreign Office;

Rear-Admiral Sir Charles Ottley, K.C.M.G., M.V.O., Secretary to Committee of Imperial Defence;

Mr. Atlee A. Hunt, C.M.G., Secretary to the Department of External Affairs, Commonwealth of Australia;

Commander S. A. Pethebridge, Secretary to the Department of Defence, Commonwealth of Australia;

Mr. J. R. Leisk, Secretary for Finance, Union of South Africa; and

Private Secretaries to Members of the Conference.

Declaration of London.

"That it is regretted that the Dominions were not consulted prior to the acceptance by the British Delegates of the terms of the Declaration of London: that it is not desirable Great Britain should adopt the inclusion in Article 24 of foodstuffs in view of the fact that so large a part of the trade of the Empire is in those articles: that it is not desirable that Great Britain should adopt the provisions of Articles 48 to 54 permitting the destruction of neutral vessels."

Mr. FISHER: I should like, before moving this resolution, to say that I should like my honourable colleague, the Minister for External Affairs, Mr. Batchelor, to be associated with me in this discussion. I shall state very briefly indeed the principles underlying this objection, if you may call it so, and leave it to my honourable friend to discuss it in detail, if the Conference thinks it advisable to go into it seriously.

We in the Commonwealth are strongly in favour of international courts or associations as conferences, or any body at all, that will help to settle disputes arising amongst the self-governing communities. That is a principle we strongly adhere to, and anything the Mother Country may do to bring about these settlements or to establish these courts to lead to settlements will have our hearty support.

As regards this particular item, the Declaration of London, I think I had better first read our resolution: "That it is regretted that the Dominions were not consulted prior to the acceptance by the British Delegates of the terms of the Declaration of London; that it is not desirable that Great Britain should adopt the inclusion in Article 24 of foodstuffs, in view of the fact that so large a part of the trade of the Empire in those Islands: That it is not desirable that Great Britain should adopt the provisions of Articles 48-54 permitting the destruction of neutral vessels." The first part of it, ending with the words "Declaration of London," is a part to which we attach great importance. Hitherto the Dominions have not, as far as my knowledge goes, been consulted prior to negotiations being entered into by the Mother Country with other countries, as regards treaties or anything that led up to a treaty or a declaration of this kind. I hold strongly the view—with great deference to the opinions of His Majesty's Ministers in the United Kingdom—that that is a weak link in the chain of our common interests. Since we are now a family of nations, has not the time arrived for the oversea Dominions to be informed, and whenever possible consulted, as to the best means of promoting the interests of all concerned, when the Mother Country has decided to open negotiations with foreign Powers in regard to matters which involve the interests of the Dominions? We do not desire in any way to restrict the final arbitrary powers of the Mother Country; that is not our desire at all, but we do think and we shall press upon you, Mr. Asquith, as representing the centre of the Empire, the Government of the United Kingdom, which has in many

matters the management of the whole of the affairs of the Empire, that it would be advisable for you wherever possible, at any rate in important matters which concern us, such as this, to take us into your confidence prior to committing us.

You will see, therefore, that we hold that it is not sufficient for you even to make a good treaty affecting us and then to tell us after it has been made. The fact that this Declaration of London has been taken exception to has given a most suitable opportunity to discuss this matter. What would have happened, may I ask you, if this Declaration had not been made by you and all the other Powers concerned at a time just prior to the meeting of this Conference. Supposing it had been immediately after a Conference, there would then have been four years of discontent, misunderstanding, and, I have no doubt, a little asperity between the Dominions and the Mother Country. It is fortunate, I think, that this opportunity has been given to us almost immediately after the question arose.

As to the details, the second part of the resolution is important enough. We felt at the time that Article 24 was hardly defensible and that Articles 48 to 54 would seriously damage the prestige of the British people and Governments, but that is a matter we do not wish to dogmatise upon at the present moment. I leave it to my honourable colleague to give the reasons why we have taken exception to these. I do hope and I do ask that you, Sir, will give the most serious and favourable consideration to our proposal. At least I hope this Conference will carry the first part of it, that is down to the words: "Declaration of London," and that if carried it shall have this meaning, that the Dominions shall be advised and consulted, not only during the course of a Treaty or the negotiation of a Declaration of any kind affecting us, but that you shall keep us acquainted with the views of the Mother Country. We shall then recognise this fact, to go back to my old statement, that we are a family of nations working in unity and amity under one Crown: and when you approach other countries you approach them, if not actually in the name of the Dominions, with the assurance and confidence that in all essential matters you represent their views.

We have avoided raising party issues in bringing this question before the Conference. If the discussion leads to fuller information being given to the Dominions I venture the opinion that the step taken will never be regretted.

Mr. BATCHELOR: Perhaps it will be convenient if I add a few words to what Mr. Fisher has said, because this matter has, more or less, I suppose, become a party question here in Britain.

The PRESIDENT: I do not think it can be quite said to be a party question, but it has got into the arena of party politics.

Mr. FISHER: Quite unconsciously, I suppose.

Mr. BATCHELOR: We desire to give no support to any kind of party view on a matter of the kind, and we want to divorce ourselves altogether from any party interest. The questions involved in this Declaration of London, of course, are of such tremendous import that they affect the well-being of every citizen of the Empire. We feel in Australia that we are very specially affected by any arrangements which may be made which will control the operations of the Navy when at war, or control the commerce of the Empire when other nations are at war, and I want to say right off that the issues are tremendous, and that there is a necessity for a full understanding of the whole position, for a very close study of the past history of naval campaigns and a knowledge of the conditions now obtaining, and the probabilities in the event of further naval campaigns—a knowledge which can hardly be said to be possessed perhaps completely by any individual.

Anyone would hesitate before being dogmatic as to what would be the precise effect of this Declaration, and particularly of some of its provisions. We have taken

up the view after the amount of discussion that has been going on recently, and the fierce light which has been thrown on the whole subject by that discussion, that it is possible that something new may have been brought out, something that may not have been considered perhaps fully by the negotiators and by the Government, or at any rate perhaps not considered so fully as it is now. Of course, I recognize this, that once the agreement was signed all information from an official source practically one would expect to backing up and making the case strong for its ratification, because that is naturally the policy of the Government, and it is the policy of the office. That brings one up to this point, that possibly it would have been an advantage if, before the signing of the agreement, some larger consideration could have been given—I will not say to other interests, but to the Dominions who are equally concerned, so that the way in which it strikes them, the way in which it affects them, may be in the hands of the negotiators.

We are to-day approaching the consideration of this Declaration of London at too late a stage to alter the course of negotiations in any way, or at too late a stage to do anything. Ought the self-governing Dominions to be in that position? The only opportunity we have of considering it is when it is too late to modify in any sense, or to suggest modification. We can, of course, urge on you that it should not be ratified, but that is taking a very extreme course, a course which nothing but the feeling that the safety of the Empire is in some way endangered by the provisions would justify us in taking. But ought we not to have had some opportunity of urging a modification possibly in some direction?

Sir Edward Grey said, I think, in answer to a question in the House of Commons —I forget who asked the question—that it was not practicable to consult the Dominions at the time or during the negotiations. I do not know whether he actually used the words "during the negotiations" or not, but that was how it was reported, that he had said it was not practicable to consult the Dominions. I would like to ask why it was impracticable to consult the Dominions at some time or other before the signing of the Convention. It seems to me that it would not, as far as I can see, have been altogether impracticable. Take the case of Australia; we have a sea-borne commerce of about £130,000,000 in and out—£72,000,000 export and £60,000,000 import. Per head of population we have the greatest commerce of any country. In itself it is a very large amount. Many of the Powers which signed this Convention, or many of the Powers which were consulted—let me put it in that way—had a much less interest in it than we had. Under those circumstances had we been independent, of course we would have been consulted. Our interests in the whole matter as a maritime country wholly dependent on commerce for our imports and for our exports, practically for our life, are such that, had we been independent, we would have been consulted. We were not consulted. The first intimation we got was from the Blue Book after it had been fixed up. That is the first intimation we had that there was any such proposal which necessarily would affect us very considerably—the Blue Book—after the whole matter had been fixed up.

As soon as the attention of the Prime Minister of Australia, Mr. Deakin, was called to the signing of the Convention, he telegraphed to Colonel Foxton, who was in England, in August 1909—nearly two years ago. Colonel Foxton was the honourable Minister attending the Council of Defence. This is Mr. Deakin's telegram: "Are Dominions to be consulted before ratification of Declaration of London by Imperial Government. Inquire, and if ratification proposed represent strong feeling of Government of Commonwealth of Australia against being committed to Declaration without consultation on matter of greatest importance to Australia." Colonel Foxton replied on the 23rd: "Declaration of London, will make strong representations. Understand no likelihood of ratification during present session." Then on 24th September he telegraphed the text of a letter received from the Secretary of State

for the Colonies: "Secretary of State for the Colonies has supplied me copy letters received from Foreign Office saying Declaration of London has been signed by all Powers represented International Conference, and Imperial Government about to address non-signatory Powers with a view to their accession, legislation being prepared giving effect to Declaration and Convention for establishment of International Prize Courts. Hope to pass through Parliament after Christmas, also that as its terms are satisfactory to naval authorities, Secretary of State for Foreign Affairs feels under circumstances of the case cannot advise His Majesty to withhold ratification as quite impossible to introduce amendments at this stage."

Now that could hardly be considered a satisfactory position for us to be in. The first intimation we get is from a Blue Book after the whole thing has been concluded; a matter in which we are vitally concerned has been concluded withtout the slighest consultation with us in any shape or way. Modifications, as a matter of fact, were suggested by the Attorney-General in Australia, but were not sent on because of this intimation from the Secretary for Foreign Affairs. I want to say, therefore, that I think we are not asking anything unreasonable in asking that under such circumstances this sort of treaty or this sort of arrangement alterating conditions, even if in the opinion of the naval authorities the alterations may be wholly in our favour, should be brought in good time to our notice, and it appears to us that we can with some confidence urge upon the Government that in the future under such circumstances or anything approaching such circumstances the self-governing Dominions should be given the opportunity of expressing the view they hold as to the way their interests are affected.

Of course there must be, as has been quoted pretty frequently, only one foreign policy in the Empire, and there must be one final authority. I do not want to canvas that—I agree with that absolutely—but that does not preclude the possibility of some consultation, as far as practicable. We do not want to put forward any impracticable proposals, but where it is practicable we think the suggestion we make is only reasonable. This is a case where the negotiations were going on for some considerable time; it is just two years ago now since we first heard of the matter and it has not yet been ratified, and if so long a time can elapse between the signing and the ratification, possibly some time existed prior to the signing during which we might have been consulted and have put forward some suggestions as to how it would affect us.

I do not want to say any more upon that point. As regards to proposals to which Australia has taken exception. Article 24 under which foodstuffs are conditional contraband and Articles 48 to 54 with regard to the sinking of neutral vessels, and the other objection that has been taken in Australia, although there is no article dealing with it, that is the conversion of merchantmen into vessels of war I do not want to go into them because all arguments for and against have been so tremendously threshed out and I am sure everybody is thoroughly conversant with them, and that I can throw no additional light on the subject.

I want to say that I think we really hold the view as regards the foodstuffs that while on the whole the alteration made may be an advantage as against the conditions at present existing, still, when concluding a convention, when setting out rules where no rules previously existed, it would have been very much better if the terms had been somewhat less vague. For instance, what is "a contractor"? What is "a matter of common knowledge"? How are we to know at the other end of the world as to whether a trader usually supplies the Government?

The PRESIDENT: Which article are you on now?

Mr. BATCHELOR: Article 34.

The PRESIDENT: You do not object to the provision that food should be treated or can be treated as conditional contraband instead of being treated as absolute contraband?

Mr. BATCHELOR: No, we are not objecting to that at all.

The PRESIDENT: That is a distinct advance.

Mr. BATCHELOR: I am not saying anything against that.

The PRESIDENT: I only want to know your position.

Mr. BATCHELOR: I do not want to say that these proposals are not an advance, certainly on that point it is an advance, over the present conditions, because there was nothing at all before.

The PRESIDENT: You are on Article 34?

Mr. BATCHELOR: Yes, and I am on the Article which governs that. Then, what is a fortified place? What is a base for the armed forces of the enemy? What is an enemy, and so on? There are two or three things there that are very vague, and I would like to know whether it would not be possible to have some better definition, or whether it would not be possible to have some clearer understanding as to what those things mean.

I want to quote here what Sir Edward Grey in his Memorandum said to the negotiators: "It is essential to the interest of Great Britain that every effective measure necessary to protect the importation of food supplies and raw materials for peaceful industries should be accomplished by all the sanctions which the law of nations can supply." We agree with that absolutely—that it is essential in the interests of Great Britain, and also of Australia, that every effective measure necessary to protect the importation of food supplies and raw materials for peaceful industries should be accompanied by all the sanctions which the law of nations can supply. And what we draw attention to is a fact that the law of nations as proposed to be laid down here leaves it too indefinite. Then as regards the sinking of neutrals, up to the present the right to sink neutrals has been denied by Great Britain. On this point Sir Edward Grey said in his Memorandum: "As regards the sinking of neutral prizes, which gave rise to so much feeling in this country during the Russo-Japanese War, Great Britain has always maintained that the right to destroy is confined to enemy vessels only, and this view is favoured by other Powers."

Sir EDWARD GREY: That should have been "ever since": the word "always" should come out, because some of the British authorities in the old days have laid down that it might be a meritorious act to destroy a neutral merchant vessel. Some legal authorities have laid that down, and I think we have exercised the right in the past, but I think that the extract, quoted form the Instructions to the delegates is true as to recent years. After all, that is only our view which has been put forward, and other nations have taken an entirely different view. It has never been accepted by other nations generally.

Mr. BATCHELOR: I will read the other words: "Great Britain has always maintained that the right to destroy is confined to enemy vessels only, and this view is favoured by other Powers. Concerning the right to destroy captured neutral vessels the view hitherto taken by the greater Naval Powers has been that, in the event of it being impossible to bring in a vessel for adjudication, she must be released. You should urge the maintenance of the doctrine upon this subject which British prize courts have, for at least 200 years, held to be the law." That is exactly the view which the opponents to that particular provision in the Declaration have advanced; I do not think it could have been put clearer than by yourself there, and

all I want to say is that it has been unfortunate that that has not been embodied in the Declaration as ready for signature.

As regards Article 34, one must admit that something perhaps has been done, but formerly the position was this, or at present the position is this, that there is no law on the matter at all. The practice of the strongest Naval Powers, according to Sir Edward Grey's Memorandum, has been to object to the sinking of neutral prizes. Under those circumstances in any war to-day any Government which goes in for sinking naval prizes has to remember that that is opposed and strongly opposed to the practice of the greater Naval Powers, and therefore the systematic sinking of naval prizes would be, one would judge, impossible to-day, because of the danger of offending the greatest Naval Powers.

Sir EDWARD GREY: It did not prove impossible in the last naval war, because it happened in the Russo-Japanese war.

Mr. BATCHELOR: There were a few cases there; but had that continued to any great extent it might have been possible for some very strong protest to have been raised.

Dr. FINDLAY: It was raised.

Mr. BATCHELOR: But in a much stronger form than that.

Sir EDWARD GREY: We were very much disappointed at the Hague Conference after the Russo-Japanese War to find how little general agreement there was amongst the Powers on this subject of the sinking of neutral vessels. We found that there was no general consensus of opinion against the right to sink them, and the result of the discussion of the matter at the Conference was to show that the international feeling against the sinking of neutral prizes was even weaker than we had expected.

Mr. BATCHELOR: I can understand that that would account for the acceptance of a policy which in itself was strongly condemned by your Memorandum. What I was going to say was that if there is any such feeling it would be perilous to go in for any wholesale destruction of neutral prizes because of the danger of offending Great Britain, which is much the strongest Naval Power, and America, who holds the same view I think.

Sir EDWARD GREY: I think America does.

Mr. BATCHELOR: Those are two very strong Naval Powers which combined make a Naval Power of considerable strength. Under those circumstances, as I say at present, it would be somewhat perilous to offend those nations, but once we have laid it down in so many words that, given certain conditions, naval prizes can be sunk, will not nations claim the right, are they not much more likely to claim the right, because it is an undoubted right, they absolutely possess the right, there is no fear of any reprisal from any source, they need not fear the British or American power in this matter, and they can sink, whenever it appears to be necessary to the success of the operation with which they are concerned, any prizes they may have. I put in with some hesitation but it seems to me that under the circumstances we have got so little limitation with regard to that sinking of neutral prizes that the effect might be rather to increase than prevent destruction

Now there is a matter my colleague wants me to refer to, and that is that we ought to have a better definition of what is meant by the word "enemy" in Article 34, whether it means the people of the country or whether it means the enemy's government. That is a matter on which I understand it has been stated by Sir Edward Grey that something ought to be done to obtain a clearer definition.

Reverting to my former point, of course, the danger of the possibility of neutral prizes being sunk would affect the price of goods tremendously, both here and in Australia. It would affect us if it became difficult for neutrals, or if it became dangerous for neutrals, to engage in the carrying trade when we were at war, or if any other countries were at war when we were neutrals, and if there is the possibility of ships being sunk the underwriters will raise their charges, to the great detriment of trade. So that anything which does make it more difficult in that respect is likely to cause serious damage to trade.

On the other question, as to the conversion of merchantmen on the high seas, I am well aware that the Government, through its representatives, did everything it could at the Conference to bring about some alteration in that respect. I think, all the same, I ought to echo the opinion of all of us that it is a great pity they were not successful in securing some limitation. Nothing, I think, would be more likely to cause apprehension in Australia or to cause greater danger to other portions of the Empire, which lie at a considerable distance from where our naval supremacy is undoubted. Nothing would be likely to cause us so much difficulty or to do so much damage as that power of converting merchantmen into war vessels without any previous notice whatever, by merely hauling down one flag and putting up another. Until some international agreement has been arrived at in that respect undoubtedly the law of naval warfare is very largely chaotic, and I think that stands out above anything else as requiring some alteration.

Mr. Pearce suggests to me that I should also refer to the question of the base in Article 34. I might just say that that of course wants a better definition. It appears to us practically to close up the United Kingdom altogether, and if something could be done by which to make it clearer, it would be a very great advantage to all concerned.

I do not want to take up any more time upon this question but I want to put it to the Government whether it might not be possible yet before this Declaration is ratified (it is signed already) and the whole matter is set aside for probably a considerable number of years, to try and get some alteration on one or two of these points that are most in dispute, or a little clearer definition at any rate. If a clearer definition were obtained, that in itself would be a considerable gain. Therefore, while we do not ask the Government to decline to ratify this Declaration if, in their opinion on the whole, the advantages are much greater than the disadvantages—and that is I understand the position the Government take up, because the question must be looked at as a whole and not merely with regard to what you are not able to accomplish—if any alteration could be made on these points it would be a good thing for the Empire generally because it would bring about a feeling of safety, a feeling of general contentment and satisfaction where the very greatest apprehension is now felt. For instance, one cannot help seeing that opinion amongst people who appear to be well qualified to judge is very much divided. We have eminent jurists and we have men whom we are accustomed to consider very great authorities as naval experts—a large number of admirals, we have men who have studied the constitutional question, taking up opposite sides on this question, and therefore, if anything could be done at this late stage to still further obtain some advantage, I think it would be well worth doing and that it would redound to the credit of the Government.

I may say, of course, that the principal point we urge is the point I touched upon first, in the first paragraph, that in the future, if at all practicable, the Dominion should be consulted on such matters.

The PRESIDENT: I am sure the Conference is very much indebted to the representatives of Australia for the extremely lucid and moderate way in which they have put forward their criticisms, and, having regard to the very technical and complicated character of some of the aspects of this subject, I think it might tend to

simplify and possibly abridge discussion if I ask Sir Edward Grey to interpose now and deal at once with the points which Mr. Fisher and Mr. Batchelor have put forward and we will go on with the discussion afterwards. Will that suit you, Sir Joseph?

Sir JOSEPH WARD: Certainly.

Sir EDWARD GREY: I will try to meet the points which Mr. Fisher and Mr. Batchelor have raised, and I would take first the points which have been raised on the merits of the Declaration which, I think, Mr. Fisher and Mr. Batchelor would themselves like to have kept quite distinct from their first point, which is really a much broader and more important point, that of consultation, not only with regard to the Declaration of London, but with regard to future Conventions of the same kind.

Mr. FISHER: Yes, we separated them.

Sir EDWARD GREY: I would like to deal with that point last, not because I think it the least important, but rather because I think it the most important, and I would like, if I could, to remove what I think are one or two misapprehensions as to the merits of the Declaration, as, if they could be removed in the discussion at an early stage, they would cease to cumber the ground, and would enable us to deal more clearly and effectively with the larger point. I will, therefore, take what I call the smaller points of the merits first.

Of course, it is quite true, as Mr. Batchelor has pointed out, that there are points in which in our own view the Declaration of London might be made better than it is if we could get other Powers to agree to them, but the Declaration of London was the result of a long conference between representatives of the Powers and represents the utmost agreement that could be obtained, and to re-open points which we discussed at the conference and on which the provisions of the Declaration represent the utmost amount of agreement that could be obtained would be impracticable now. So that our choice is really between ratifying the Declaration practically as it stands or withdrawing from it altogether. There are one or two points, not of alteration, but of interpretation, such as that of whether "enemy" in the particular case given means "enemy people" or "enemy government," which we do intend to have cleared up, and the clearing up of that point, *i.e.* that enemy means enemy government and not enemy people, will be made a condition of our ratifying the Declaration; but that is not a case of altering, that is a case of simply interpretation.

Now, I would like to explain why I think there has been so much opposition in this country to the Declaration of London. It proceeded, in the first place, from two entirely separate sources. One was the people, of whom there are a certain number, who consider that we, being the strongest maritime Power, ought to allow no international restrictions whatever upon the use of our fleet in interfering either with enemy vessels or with neutrals in time of war, but ought to be free to make our own rules and to be independent of international rules altogether that, having the power, we ought to make the rules. At this time of day, however strong our fleet was, considering the sort of solidarity there is in the public opinion of the world compared to what it was generations ago, it would be straining our power to attempt anything of that kind, and, as a matter of fact, we abandoned that position not in the Declaration of London, but in the Declaration of Paris, which was made between 50 and 60 years ago; and one of the sources from which the Declaration of London is attacked consists of the people who have always thought the Declaration of Paris a mistake, and who would like to see it torn up. It is too late to go back upon that. We have agreed that there should be international treaties on these subjects, and it is essential, if we are to be on good terms with other Powers, that we should not refuse to become a party to any international arrangements whatever.

The next source from which opposition comes is that of people who are building their arguments really on a false premise. The premise on which they build their

argument is this, that we have declared certain things to be in our view international law, and that therefore what we have declared to be international law has been hitherto the rule. It has never been the rule for anyone else except ourselves, and as a matter of fact what this Declaration does is not to alter international law which previously by consent existed, but to introduce for the first time a certain amount of consent into international rules which had never existed before.

Take, for instance, the question of foodstuffs; we might have contended that foodstuffs ought never to be contraband of war or at most conditional contraband of war, and you might say that that is a rule which we have said is one that ought to be accepted, but it is not one that ever has been accepted. Other Powers, and some of them comparatively recently, have claimed that food should be treated as absolute contraband of war, so that what really has hitherto existed has been chaos in the matter, and the result is this, that when two Powers have been at war we have never known for certain—the world has never known for certain—what the action of those two belligerents would be with regard to neutral merchant vessels, a subject in which we are more interested than anybody else because of the enormous amount of our merchant shipping. We have never known what their action would be. They have drawn up and issued their own rules; in doing it they have interpreted international law according to their own convenience and to what suited them best, and when we have not approved of their rules, or not approved of their practice when they interfered with our neutral merchant vessels, we have had to depend for redress upon decisions of prize courts which were the prize courts of the enemy themselves. The prize court of a belligerent is never a satisfactory tribunal for a neutral to have to appeal to. It is, of course, the person against whom the claim is made, that is the belligerent Power, being judge in his own cause. We felt that was so unsatisfactory, and some of the decisions given by the Russian Prize Courts in the Russo-Japanese War were so unsatisfactory, that when I was first confronted with the situation when I came into office, especially with regard to the sinking of merchant vessels, of which two or three cases occurred in the course of the Russo-Japanese War, I felt we were face to face with a situation which ought not to be allowed to continue without some attempt to put it right. The sinking of ships had especially annoyed us from the fact that we could not get compensation from the Russian Prize Courts in all cases. We did obtain compensation in one or two cases, though not on the ground that it was illegal to sink the ships, but because they had been improperly interfered with, not on the ground of principle but merely in particular cases.

When we came to the Hague Conference we found that there was by no means the consensus of opinion that might have been expected against the right of belligerents to sink neutral ships. So that we were confronted with this first of all, that international law was in a state of chaos and we could not depend on any international agreement, and also the decisions of the enemy's prize courts were unsatisfactory. That being so we agreed with others to promote a Prize Court Convention which would substitute in cases of this kind an International Prize Court as a Court of Appeal from the prize court of the belligerent, from which hitherto there had been no appeal. That obviously must be a considerable gain if we are neutrals. If a British merchant vessel is interfered with by belligerent, we must in the future have a better chance of getting redress from an International Prize Court than we have from the prize court of the belligerent, which is all we had to look to before. But then, having settled that there was to be an International Prize Court, which we did settle at the Hague Conference, it followed from that that it was desirable that, as it had also been shown there was no agreement about international law on these points, there should be between nations an agreement drawn up as to what was the international law which the International Prize Court should administer. That is how the Declaration of London came

into being. It did not arise out of nothing; it followed really on the decision of the Hague Conference that there should be an International Prize Court Convention.

Now, I would like the Conference to know what we did before the Declaration of London. We had an Inter-Departmental Conference in which the Departments concerned were fully represented, and we drew up instructions to our Delegates, which instructions of course contained what we wished to obtain. Our Delegates contended for that at the Conference. They did not obtain all they wished, and you never do, of course, at an International Conference, but they obtained, in our opinion, certain advantages which were, as the result of the Conference, worth taking.

I shall deal with the three points only which I think Mr. Batchelor has raised—how we stand with regard to food supply in time of war, how we stand with regard to the sinking of merchant vessels, and then whether the operations of our Navy and, of course, the Dominion Navies too, would be crippled in time of war. I think those were the three points.

Now let us see how we stand with regard to foodstuffs. Mr. Batchelor said, quite truly, that the provisions of the Declaration are rather vague, and that Article 34 leaves it rather vague what is a contractor. But Article 34 is not the article which determines whether food is or is not to be contraband of war. It determines only this: whether the onus of proof is to be on the captor or on the captain of the merchant ship interfered with. That is the only point determined by Article 34. I am informed that the general practice hitherto has been that in all cases when a belligerent captures a merchant vessel, the burden of proof that the vessel does not carry contraband of war rests on the merchant vessel. That has been the general practice hitherto. The Declaration of London lays it down that the general practice, on the contrary, is to be that the onus of proof is to be not on the merchant vessel but on the captor, and Article 34 makes an exception to that in saying that in certain cases, which are those contemplated by Article 34, the onus of proof is still to remain as it has heretofore been, on the merchant vessel. So that it does not settle really when food is to be contraband of war; it settles in what cases the onus of proof is to remain as it now is, on the merchant vessel. That gives Article 34 a very limited application.

I quite admit that we say the terms could be made less vague, but you must remember the terms cut both ways, and that if the terms are vague when we are neutrals, and give, as you consider, an undue latitude to the belligerent or, when we are the belligerent, give an undue latitude to the Power who is our enemy, that same latitude is also of course allowed to the British fleet, and when terms are vague and when you are at war, the vagueness of the terms has generally heretofore been an advantage to the stronger fleet rather than to the inferior fleet.

Mr. BATCHELOR: Would not your practice be to maintain the position that we take up with regard to these matters?

Sir EDWARD GREY: We should maintain the Declaration of London after it is ratified.

Mr. BATCHELOR: Taking the fullest advantage of every liberty although we disagree with it.

Sir EDWARD GREY: Whatever liberties we have agreed under the Declaration of London to concede to enemies, we should of course use for ourselves. It is not a one-sided Declaration, and whatever advantages or disadvantages it has extend equally to both.

Mr. BATCHELOR: I quite understand that, but what I am putting in this, that we have contended that it is not a proper thing to convert merchantmen on the high seas into vessels of war; we have full liberty to do so, but it is quite possible that we would not take advantage of our liberty in view of the fact that we have always held that is practically an act of piracy.

Sir EDWARD GREY: That is a point not touched by the Declaration of London.

Mr. BATCHELOR: I put that forward as an illustration.

Sir EDWARD GREY: I do not think it is an illustration because it is not affected by the Declaration of London at all. My whole point with regard to the conversion of merchantmen is that we remain exactly as we were, and whatever we do to-morrow with regard to the conversion of merchantmen is exactly what we should have done before the Declaration of London was passed, because it does not touch that point at all.

Mr. BATCHELOR: Then there is the sinking of neutrals.

Sir EDWARD GREY: I will come to the point of the sinking of neutral vessels in a moment; I would like to deal with foodstuffs first. Even supposing the terms are vague they do not take the place of terms which were more definite. There were no terms at all before agreed upon, and at the present moment, with the Declaration of London unratified, if we were at war with a belligerent, there is nothing in the practice of some belligerents, at any rate, to prevent them from declaring all our ports bases of supply and all food coming to this country, whether destined for the enemy government or not, to be contraband of war. The French took up that position in their war with China only a generation ago. The Germans, when appealed to, refused to dispute it.

At the present moment if we were at war with a Power we might have all food declared contraband of war, whether destined for the enemy or not, simply because it is coming to the population of this country. Under the Declaration of London, our enemy would, at any rate, have to make out his case that it was destined for the enemy government before he interfered with it. Therefore, the Declaration of London does not set the hands of a belligerent free to interfere with our food supplies; on the contrary, it hampers him very much in dealing with our food supplies, and he could only take the course which at the present moment no rule of International law prevents him from taking as regards declaring of food contraband of war by driving a coach and four through certain articles of the Declaration. It must hamper our enemy more than he was hampered before in declaring the food supply contraband. So that, as far as that is concerned, admitting that the terms are vague, admitting that there is some ambiguity, as undoubtedly there is, we are better off than we were before, because we are not substituting vague terms for definite terms, but we are putting vague terms, in so far as they are vague, in a place where there were no terms at all.

Mr. MALAN: Sir Edward, perhaps this would be the point to put in a question: What do you regard as the exact legal force of the General Report ?

Sir EDWARD GREY: The "General Report" is the Report of the Conference, and our view is that it was accepted and became part of the conventional arrangement, in the sense of being an authoritative interpretation of the Declaration of London; that is one of the points which we shall make a condition of our ratification, that that view should be accepted by the other Powers.

Mr. BATCHELOR: You propose to make that a condition ?

Sir EDWARD GREY: Yes, I propose to make that a condition. Then I would take the question of the sinking of vessels when we are neutrals.

Mr. BRODEUR: Before you leave that point, Sir Edward, with regard to the question of food, supposing you were at war with a great Continental Power to-day before the Declaration of London is ratified, and that they seized food which was carried in a vessel, in that case it would be referred wholly and simply to the courts of that Power?

Sir EDWARD GREY: Yes.

Mr. BRODEUR: As it is to-day, it would be referred to a court in which we would have some representatives under the Declaration of London.

Sir EDWARD GREY: If we were at war with a great Continental Power, all merchant vessels belonging to that Power would be seized by us and all British merchant vessels under the British Flag would be seized by the Fleet of the Continental Power if we could not prevent them, which we, of course, would make it our object to do. The belligerents do not appeal to each other in prize courts.

Mr. BRODEUR: It would be in neutral vessels?

Sir EDWARD GREY: Yes.

Mr. BRODEUR: In such a case under the Declaration of London it would be referred to a court in which you would have some representatives?

Sir EDWARD GREY: On appeal, yes. I took the case of the Russo-Japanese War when there were several cases of our vessels, when we were neutral, being seized by the Russian Navy. The owners of our vessels have had to fight their cases before the Russian Prize Courts composed purely of Russians, and to accept their decision, from which there is no appeal. Under the Prize Court Convention and the Declaration of London they would first of all have had to fight it before the Russian Prize Court, but, if we were not satisfied with the decision of the Russian Prize Court, the Russian Government would be bound, after ratifying those agreements, to admit the appeal and defend their case before the international court on which we, as well as they, would be represented.

The PRESIDENT: That is a clear gain for neutrals.

Sir EDWARD GREY: That is a clear gain for neutrals; and as to belligerents I can only say that it is better to have some rules than to have none at all if you want to secure that your food supply is not interfered with in time of war. At present there are none at all. Under the Declaration of London there will be certain rules, and although they may not be entirely satisfactory, they are better than none. That is the point about food supplies.

Now, as to the sinking of ships; the Russian Navy, as I have said, sank some of our ships when we were neutral. I was not in office, of course, when the Russo-Japanese War was going on: the previous Government was in office, but when I came into office the situation I found was that some of our ships had been sunk some months before in the war, and that we were claiming compensation. The Russian Government claimed the right to sink. We denied the right to sink.

The PRESIDENT: I suppose you denied it on principle?

Sir EDWARD GREY: We denied it on principle. I gather since I made those declarations that our own ground has not been so strong, whatever it may have been in recent years, because in past years I think our naval officers have sunk neutral vessels, and we have had some high legal authorities who have claimed that we should have the right to sink.

The PRESIDENT: Lord Stowell.

Dr. FINDLAY: In 1815.

Sir EDWARD GREY: Yes. I was told that was our view at the time and I put it forward. Assuming that was our view, my first thought was this—I never put it into official form—if another country is going to claim the right to sink neutral vessels and we say they ought not to be sunk, we had better be prepared, as soon as a British neutral merchant vessel is interfered with and sunk by a belligerent, to go to war about it and through our force to prevent it, but then on reflection I thought: "That will not really be a remedy." We did not go to war with Russia in the Russo-Japanese War when she sank neutral merchant vessels, and the country never really will go to war because one or two merchant vessels are sunk; they will say: "That is a case for the prize court, claim compensation but do not interfere with the course of trade and everything else by making it a *casus belli*"; and in practice our course will be to protest, as was done in the case of the Russo-Japanese War, and to bring claims before the prize court and rely on getting compensation and not on interfering by force. That would be the tendency. Then we found at the Hague Conference that there was no general consensus of opinion against the sinking of ships and that we were not very likely to get general support for that view. Under the Declaration of London we tried to get a rule made that sinking should be entirely illegal.

Mr. Batchelor quoted the United States Government in this connection, but the United States Government were not prepared to support us at the Naval Conference in going so far as that, and they were strongly in favour of the provisions of the Declaration of London being accepted with regard to the sinking of neutral merchant ships. So that the position in the first place with regard to sinking is that at the present moment we protest against any sinking. Other nations claim and exercise the right to sink when they are belligerents, and there being only their prize courts to appeal to, we do not get compensation. Under the Declaration of London the right which other Powers have claimed to sink neutral vessels will be restricted to certain conditions to which they have agreed, so that no Power can claim the absolute right which it has done before, and under the Prize Court Convention, if they do exercise this restricted right, there will be an appeal to the International Tribunal. That puts us in a much better position.

Mr. BATCHELOR: Of course, our position is much easier than other countries, as we have ports everywhere.

Sir EDWARD GREY: For taking vessels into port?

Mr. BATCHELOR: Yes.

Sir EDWARD GREY: We secure our object if we capture them. We do not want to sink them.

The PRESIDENT: It is not to the interest of a belligerent to sink in ninety-nine cases out of a hundred; on the contrary it is his interest to take it into port and get the ship and the goods. That is what is often ignored in the discussion of this matter; it is against your interest and you only do it in the case of *force majeure*.

Sir EDWARD GREY: To take Mr. Batchelor's point which he raised just now, of course we should take whatever steps it might be necessary for us to take under the provisions of the Declaration of London, whatever we may have said before about the sinking of vessels. When that is ratified we should claim equal liberty of action for our fleet in dealing with merchant vessels to that given to others by the Declaration. We may have expressed our views before as to what ought to be

done, but when you come to an international agreement, and other people claim certain liberties to themselves and you concede those liberties to them, of course you claim them for yourselves.

Mr. FISHER: By doing so you do not abandon those views?

Sir EDWARD GREY: You do not abandon the right to try to get your views adopted at some future time if you like, and you ought to try it at another conference.

Mr. FISHER: You obey the law—you march in line.

The PRESIDENT: You hope that it will be improved.

Sir EDWARD GREY: So that what we have got with regard to the sinking of merchant vessels is first of all the right which is claimed by other nations restricted, and if that right is exercised at all we get a better prospect of redress by having an international tribunal to go to.

Now as to the third point, whether the operations of the British Fleet are likely to be unduly restricted when we are at war, I think what Mr. Batchelor had in his mind with regard to that was probably that we have given up the doctrine of continuous voyage to a certain extent. We have agreed under the Declaration of London that we would not seize goods which are conditional contraband when they are consigned to a neutral Power even though destined for an enemy, and heretofore we have claimed the right to seize those goods. Therefore that is a restriction upon our power of bringing pressure to bear upon our enemy when we are at war. I believe the Admiralty have never made use of the right; the right would not be of much use in practice or much good to them, because it is so easy to consign goods, even though they are destined for the enemy, to a neutral port in such a way that it is impossible when the captain of a man-of-war boards and searches the vessel to prove that they are destined for the enemy, so that the doctrine of continuous voyage would in practice be of very little use to us in time of war.

Here again is another instance, in giving up the doctrine of continuous voyage with regard to conditional contraband, that it cuts both ways, and we gain in certain ways. Other powers have given up the doctrine of continuous voyage too and the result will be this, that if we found for a time there was difficulty in clearing the whole Atlantic Ocean of any of the roving cruisers of the enemy, it would be possible for goods coming here to be consigned to a neighbouring port, any neighbouring port in Europe of a Power with which we were at peace, and all we should have to do instead of keeping the whole of the Atlantic clear for neutral vessels would be to protect the passage across the Channel from some neutral port to one of our own. Of course, if the British Navy could not do that the war would be over because we should be beaten.

Mr. BATCHELOR: We have no neutral ports.

Sir EDWARD GREY: You may not gain in this particular but you do not lose over this doctrine of continuous voyage, and when you come to South Africa, for instance, the questions of continuous voyage and neutral ports may be of real importance.

Sir JOSEPH WARD: On that point would you mind informing the Conference, Sir Edward, what there is in the statement which is so generally made by people, including representatives from the oversea countries and published in the Press, that in time of war there would be no neutral ports in England at all?

Sir EDWARD GREY: I was dealing with the base of supplies where the terms are vague. That is going back to the other point. I will revert to it in a minute, but I had better finish the one point I was on about the continuous voyage. Certainly in South Africa it would have a very distinct bearing. I do not see that in Australia

it could, because you have not got ports near you belonging to neutrals, and all your stuff comes direct. But you do not lose anything by this, and if the Dominion of Australia does not lose by this, there is no reason why other parts of the British Empire should not have the advantage which would accrue from making use of neutral ports in this way.

Where articles are absolute contraband—arms, munitions of war—by the Declaration of London the doctrine of continuous voyage can be applied, and that is a distinct gain as far as the operations of our Fleet are concerned, because there has been no unanimity hitherto with regard to the doctrine of continuous voyage, no rule which we could have relied upon being accepted by other Powers when we were at war.

Sir Joseph Ward's point I really have dealt with before. People say the terms are so vague as to what is the base of supplies, that every port in the United Kingdom might be construed as a base of supplies. If you are going to say that every town from which there is a railway is to be a base of supplies, then of course every port in the world is to be construed as a base of supplies. I do not think that is a possible interpretation of the Declaration of London as it stands, but anyhow, under the Declaration of London, no Power could treat Liverpool or Bristol, say, as a base of supplies for the enemy, unless we had made an actual camp there, without really violating the definition of "base of supplies" as given in the Declaration of London.

Mr. FISHER: Is that admitted by others?

Sir EDWARD GREY: I think it would be felt by everybody who signed the Declaration of London, that if one Power did that, it would be a violation of the Declaration of London, but even supposing that extreme case occurred, at present a belligerent with whom we are at war need not trouble to declare anything as a base of supplies as regards food, but could simply say all food is contraband of war. So even admitting that extreme case, we are still no worse off than we were before. That is what I meant when I said even though these terms are vague, they are not displacing terms more definite than those that are coming in, and if they do not occupy the ground very completely, they at any rate occupy ground on which there was nothing at all before to interfere with an enemy.

Now I will come to the final point, as to consultation.

Mr. BATCHELOR: Before leaving the minor points, it would be gratifying for us to hear an expression of opinion from you as to whether there is the least reasonable probability of agreement being come to with regard to conversion of merchantmen. That is a matter which concerns us very much.

Sir EDWARD GREY: It was tried and it failed. No agreement could be come to, and we remain there just as we were. We have not got our way over that, and the Declaration of London does not affect it; but if, as we consider, we gain certain advantages under the Declaration of London as it stands, that is no reason why we should withdraw from it because we have not got all we wanted.

The PRESIDENT: Who were the main opponents of our view? Who made it impossible to come to an agreement?

Sir EDWARD GREY: Germany was the chief opponent, and we were in a small minority.

Sir WILFRID LAURIER: Is there a definition of what is a "base," or is it left to general interpretation?

Sir EDWARD GREY: There is no definition. The word "base" is the only definition.

Dr. FINDLAY: Surely it has a definite enough meaning in an International Prize Court. It has been defined more than once by our courts and by other courts.

Sir EDWARD GREY: Yes. "Base" in itself is a definition. I think anybody would hold that it is monstrous to say that a purely mercantile port, simply because a line of railway goes from it to some place 100 miles off where there is an armed camp, is a base. Base is something the main purpose of which is to serve the enemy's forces.

Dr. FINDLAY: There would be no doubt as to what it means in my country, I know.

Mr. BATCHELOR: Nearly all the foreign mail steamers, particularly the Germans, are heavily subsidised by the Government, and they are much the biggest steamers plying, and they are almost invariably manned by officers and men of the Naval Reserve, so that conversion is a very much bigger thing with us than it would be here.

Sir EDWARD GREY: It is quite desirable to get it, but as it is not in the Declaration of London you can hardly use that as an argument against the Declaration of London, if the Declaration of London, as it stands, is satisfactory.

Mr. BATCHELOR: But it is an argument for trying to bring about an alteration of condition.

Sir EDWARD GREY: Yes, but you could not get that into the Declaration of London. You must try for it at another conference. Having found ourselves in a minority on this point at the actual conference which took place, it is no good raising it and trying to get it in the Declaration of London now.

Mr. FISHER: You say we must appeal to the common sense of the people of the world to bring the nations forward?

The PRESIDENT: To come round to our view.

Sir EDWARD GREY: We have to try and educate them to our view.

The PRESIDENT: With reference to something Sir Edward Grey said, I do not think it has been sufficiently noted that Article 34 is merely commentary upon and interpretative of Article 33. Article 33 is the governing article, and nothing is liable to capture as conditional contrabrand unless it is shown—*établi*—to be destined for the use of the armed forces or of a government department of the enemy. That is the proposition you have to prove, and unless you can prove that proposition, it is not liable to capture. As Sir Edward Grey has pointed out, Article 34 merely says that in that process of proof there are certain rebuttable presumptions, one of which is, is the commodity in question consigned to a place serving as a base of the enemy? It is all governed by that, and unless it can be brought within that in the judgment of the tribunal, it is not liable to capture.

Sir EDWARD GREY: These articles have very limited application.

The PRESIDENT: They are mere expositions.

Sir EDWARD GREY: With regard to the abolition of continuous voyage, I think it would not help you to get the food supplies into Australia.

Mr. PEARCE: It would be of no value to us for that purpose.

Sir EDWARD GREY: No, I think it would not help you for that purpose. It might be of some value in getting goods out under a neutral flag, because you could

consign them to a neutral port. It is inconceivable, of course, that as long as the British Fleet has command of the sea, there should be an enemy's fleet which is operating in waters near Australia, but supposing there were two or three cruisers not yet caught, but for a month or two——

Mr. BATCHELOR: For a while.

Sir EDWARD GREY: For a while—working in Australian waters before you can deal with them with your Australian Navy even, and you wanted to use neutral vessels to send your goods, you would be able to consign those goods to some neutral port in Europe where the British fleet had swept the seas, and they could be transferred from that neutral port to a British port. So it has a bearing when you come, not to imports, but to exports. But, as a matter of fact, I think it must be borne in mind all through, that this whole question of contraband and neutral vessels is not nearly so big as is thought, because we cannot in this country be supplied by the neutral flag alone. If we cannot keep the sea free and clear in time of war for the supplies coming under the British flag into this country, we cannot feed our population and we shall be brought to our knees.

Now, if we can keep the seas free and prevent interference with the British flag, we can prevent interference with a neutral flag. So that, whatever inconvenience there may be with regard to food coming under a neutral flag, they cannot be vital to the issues of a war, because if we can keep the sea free to the British flag, we can certainly prevent any but a very small amount of interference with the neutral flag. If we cannot keep it free for the British flag we cannot feed our population and are not in a position to carry on the war.

Sir JOSEPH WARD: An enormous amount, I think 90 per cent of it, comes under the British flag and is carried in British bottoms.

Sir EDWARD GREY: Yes, an enormous amount.

Mr. BATCHELOR: In a war in which Britain was engaged, the tendency would be that goods could be transferred into neutral bottoms not liable to capture.

Sir EDWARD GREY: Yes; but there are not enough neutral bottoms to supply the necessities, because if the British merchant flag is driven off the sea, there are not enough neutral bottoms to carry on the trade of the world and feed this country.

Mr. PEARCE: Unless there is a transfer.

Sir EDWARD GREY: But a transfer cannot be in too wholesale and sudden a way.

Sir JOSEPH WARD: It cannot be done in the middle of a war.

Sir EDWARD GREY: Over a length of time it can be done, but it cannot be done on a wholesale scale, all at once. I want to prevent any misconception, that under the Declaration of London we are securing things which are going to make a difference to our safety in time of war. There is only one thing which will secure our safety in time of war, and that is the supremacy of the British fleet. If it is maintained, then all those points really under the Declaration of London are of comparative insignificance to us when we are belligerents, and they are of great importance to us when we are neutrals because we have a better chance of getting redress.

Now, as to the point of consultation, I think you will have gathered from what I have already said, that the Declaration of London arises out of the last Hague

Conference. It was a subsidiary consequence of the last Hague Conference. I see I am reported to have said in one answer that it was not practicable to consult. I have forgotten the exact context of the answer, but no doubt I used those words.

Mr. BATCHELOR: It was a newspaper report. I did not look up Hansard.

Sir EDWARD GREY: Yes, I have a recollection of using those words; but as a matter of fact it was very difficult, or it would have been very difficult, after the Dominions had not been consulted about the Hague Conference and the Prize Court Convention, to bring them in suddenly with regard to the Declaration of London. Once the whole thing had been launched, and when there was no arrangement in existence for consultation with the Dominions, it would have been exceedingly difficult—perhaps 'not practicable' is too strong a word but difficult and exceedingly inconvenient—suddenly to set up a consultation with regard to the Declaration of London, when there had been none with regard to the Hague Conference. I would take even a larger point than Mr. Fisher took, though I rather understood him to imply it. The point should be not why were not the Dominions not consulted about the Declaration of London, but why were not they consulted with regard to the Hague Conference. If they had been consulted with regard to the programme of the Hague Conference it would follow as a matter of course that they would have been consulted with regard to the Declaration of London. I do not know that I can give any answer to that point except they were not consulted about the Hague Conference which took place before that—a still earlier one. I agree, and the Government agrees entirely, that the Dominions ought to be consulted, and that they ought to be consulted before the next Hague Conference takes place about the whole programme of that next Conference, and then, of course, they would be consulted automatically with regard to everything that arises out of it.

Mr. FISHER: I only wish to convey to this Conference and to the Government that we desire, as far as it is practicable to do so, not only to be consulted after things are done, but to be consulted while you have ideas in your minds and before you begin to carry them out and commit us to them. As regards this other point we are only responsible for what we do here, and as it is necessary to begin at some point I shall be very glad if the Government are ready to begin now.

Sir EDWARD GREY: I think what I am going to say will show that the Government not only thoroughly understand the scope of Mr. Fisher's point, but also, in practice, could meet it. The procedure with regard to the next Hague Conference will, I presume, be the same as it was with regard to the last. There is, first of all, an international programme drawn up. That is the first thing. When that programme is drawn up it is received by the Government here, and it will be circulated to the Dominion Governments. It is drawn up some time in advance. What we do here ourselves is to have an inter-departmental conference which considers that programme, and considers what instructions should be given to the British delegates who are going to the Hague Conference, as to the line they should take on the different points. I think, obviously, the time for consultation to begin is when that inter-departmental conference, as we have called it hitherto, takes place, and that the Dominions should, in whatever way they found most convenient, which would be made known through Mr. Harcourt, or the Secretary of State for the Colonies, be represented at that inter-departmental conference and so be present and be a party to drawing up the instructions which are to be given to the delegates at the Hague Conference. Then, of course, the delegates go to the Hague Conference to carry out the instructions. The Dominion Governments will then be parties to the instructions, but they, like the Government here, of course, have to leave considerable latitude to the delegates to carry out those instructions at the

Conference. The delegates will carry out those instructions, but no doubt from time to time while the Conference is proceeding points arise, which have to be answered by telegraph sometimes, and I think then it would be impossible to have consultation on every point that arises, because there is no time, owing to the necessities of the case. As a matter of fact, during the last Hague Conference, theoretically the whole Cabinet ought to have been consulted here on points as they arose, but there was no time. Parliament is not always sitting, the Cabinet is separated, and some individual Minister here, unfortunately the Secretary of State for Foreign Affairs generally, has to take the responsibility of dealing with points which arise from moment to moment.

Mr. FISHER: And then blame the Prime Minister.

The PRESIDENT: As a matter of fact, the Prime Minister can generally be communicated with, but you cannot assemble the Cabinet.

Sir EDWARD GREY: Just in the same way as one individual Minister sometimes has to act and take responsibility without consulting the Cabinet, and the Prime Minister has to act without consulting the Cabinet on some things from the nature of the case when there is not time, so the Home Government when the Conference is going on would have to deal with the points without being able to consult the Dominions, simply because it is not physically possible to do so. Then there will be Conventions signed at the Hague Conference, and a considerable interval for ratification. Those Conventions will be circulated to the Dominion Governments, and they will have an opportunity of signifying whether they are satisfied with those Conventions or not. If they are not satisfied, and if those Conventions are not ratified, and if the matter is really of great importance, we must have, of course, something in the nature of a conference here, to which the Dominions who found themselves specially interested could name their own representative and send him to thresh the matter out, and the final decision, whatever it was, would be come to, I hope unanimously; but, anyhow, whatever the decision come to was, it would be after considerable consultation, and there could be no complaint again in future that there had not been consultation between the Dominions and the Home Government.

It is possible that some Convention by the Hague Conference may be signed, which the Home Government may approve of, and which one of the Dominions may object to, and another may strongly approve of, and so forth, so we cannot be sure of unanimity; but we can be sure of consultation, and it is the intention of the Government in future—and I have described the process gone through in order to make it clear—not only to have consultation, but to make that consultation really a practical thing, which, as regards the proceedings of the Hague Conferences, and so forth, will be, and can be, carried out.

In conclusion, I have only to say that I do hope the Conference will agree to the ratification of the Declaration of London, because some other Powers are very much attached to having the Declaration of London ratified. They look upon it as a step forward in international agreement and arbitration, and if at this time of day, after all that has passed, we were to withdraw from it and say we would not ratify it, it would be, as far as we are concerned, a great blow to the confidence of other Powers in regarding us as a Power which is prepared to forward arbitration. As we are anxious, especially with the United States, to co-operate in furthering arbitration, I think it is absolutely essential that we should go through with the Declaration of London. I think on the merits it is advantageous to us, though we have not got everything that we want, and, from the general point of view of arbitration, I think it would be the greatest disappointment to other nations, and really almost an incentive to them to go on with their arbiration arrangements and international arrangements of this kind without us, if we stood aside from this Declaration and were not to ratify it.

Mr. FISHER: Do I understand you to limit this to matters which may be referred to the Hague Conference? We wanted to go into other departments of your work.

Sir EDWARD GREY: You mean into treaties generally.

Mr. FISHER: Yes.

Sir EDWARD GREY: I do not intend to limit it to that. There are some cases of treaties where it is exceedingly difficult, owing to time, to have any such consultation.

Mr. FISHER: We recognise all that, but I do not wish it to be limited to the Hague Conference.

Sir EDWARD GREY: I did not in the least mean it to be exclusive.

Mr. FISHER: You only mentioned that one particularly.

Sir EDWARD GREY: I was taking that as an instance where it is quite easy. There are cases where it is difficult, but in so far as it can be done we would do it. I will give you one instance now where we are engaged in certain negotiations.

Mr. FISHER: I would rather not hear that. It is not restricted in your own mind merely to the Hague Conference?

Sir EDWARD GREY: Certainly not.

Sir WILFRID LAURIER: In the proposition which was moved by our colleagues from Australia, especially as commented upon by Mr. Fisher, certain principles were laid down which seemed to me to be very far reaching. If I understand him correctly, the proposition he laid down was that the Dominions should be consulted upon all treaties to be negotiated by his Majesty. There are two sorts of treaties between nations. First of all there are commercial treaties; and secondly there are treaties of amity, which are calculated to prevent causes of war, or to settle afterwards the effects of war. With regard to commercial treaties, His Majesty's Government has already adopted the practice of never including any of the Dominions beyond the seas except with their consent. That implies consultation prior or afterwards. Liberty is left to us to be included or not included in such a treaty as that, and I think that is very satisfactory.

In Canada, I may say, we have gone further and claimed the liberty of negotiating our own treaties of commerce, and, so far, since the time we applied for this privilege, which was given to us, of course the negotiations have been carried on with the concurrence of the Foreign Office in conjunction with the Ambassador, but at all events our liberty was not restricted at all in that respect.

Coming now to the other class of treaties, which I characterised as treaties of amity, it would seem to me that it would be fettering, in many instances, the Home Government—the Imperial authorities—very seriously, if any of the outside Dominions were to be consulted as to what they should do on a particular question. In many cases the nature of the treaty would be such that it would only interest one of the Dominions. If it interested them all, the Imperial authorities would find themselves seriously embarrassed if they were to receive the advice of Australia in one way, the advice of New Zealand in another way, and the advice of Canada, perhaps, in a third way. Negotiations have to be carried on by certain diplomatic methods, and it is, I think, not always safe for the party negotiating to at once put all his cards on the table and let his opponent know exactly what he is after.

I noticed particularly what was said by Mr. Fisher a moment ago, that the British Empire is a family of nations, which is perfectly true; but it must be recognised that in that family of nations by far the greater burden has to be carried

on the shoulders of the Government of the United Kingdom. The diplomatic part of the Government of the Empire has of necessity to be carried on by the Government of the United Kingdom, and that being so, I think it would be too much to say that in all circumstances the Dominions beyond the seas are to be consulted as far as the diplomatic negotiations are concerned. That is what I understood Mr. Fisher to desire.

Mr. FISHER: My last point was that it should be done whenever possible.

Sir WILFRID LAURIER: I have no doubt that wherever possible the Government of the United Kingdom will do its duty.

Mr. FISHER: And primarily when our interests were involved.

Sir WILFRID LAURIER: Yes, but now let us apply this general doctrine to the Declaration of London. This is a thing which, in my humble judgment, ought to be left altogether to the responsibility of the Government of the United Kingdom, for this reason: This is a treaty which lays down certain rules of war as to in what manner war is to be carried on by the Great Powers of Europe. In my humble judgment if you undertake to be consulted and to lay down a wish that your advice should be pursued as to the manner in which war is to be carried on, it implies, of necessity, that you should take part in that war. How are you to give advice and insist upon the manner in which war is to be carried on, unless you are prepared to take the responsibility of going into the war?

Mr. FISHER: Do not we do that in a manner by coming here?

Sir WILFRID LAURIER: No, we come here to discuss certain questions; but there are questions which seem to me to be eminently in the domain of the United Kingdom. We may give advice if our advice is sought; but if your advice is sought, or if you tender it, I do not think the United Kingdom can undertake to carry out this advice unless you are prepared to back that advice with all your strength, and take part in the war and insist upon having the rules carried out according to the manner in which you think the war should be carried out. We have taken the position in Canada that we do not think we are bound to take part in every war, and that our fleet may not be called upon in all cases, and, therefore, for my part, I think it is better under such circumstances to leave the negotiations of these regulations as to the way in which the war is to be carried on to the chief partner of the family, the one who has to bear the burden in part on some occasions, and the whole burden on perhaps other occasions. I say this by way of general observation upon the first proposition which was made by Australia.

Now, coming to the Declaration of London itself, there is no such thing at present as international law. International law has simply been the opinion of some eminent men as to what should be the guidance of civilised nations. The first time of having any international law was, I think, in the Declaration of Paris in 1856, which followed the Crimean War, and this Declaration was very limited. Now you propose certain rules which are to be carried out by civilised nations in warfare, and you know exactly where you are. Therefore you have what you never had before, a tribunal which will finally settle the affairs between nation and nation as to the method of carrying on war. That is a step in advance, as I think we are all agreed, and I fully agree with what Mr. Fisher said in this respect. We are all in favour of arbitration, and therefore this is a first step between nations in the direction of arbitration. These rules may not be perfect and we know, after what has been said by Sir Edward Grey, if he could have had his own way, in some respects these rules would have been different from what they are. We know that we cannot sit at a table—the very table where we

are— and agree upon everything, and it is impossible to expect nations to agree upon everything, but there has been an immense step forward, and I think it is, on the whole, a very wise move.

Now, take the Declaration of London as to foodstuffs carried in neutral ships. Up to the present time there has been no law upon this point, except what was the will of a nation who was the belligerent power. But now you have certain rules. These rules seem to me to be extremely humane, and in the best interests of humanity. The rule as it is laid down is, that foodstuffs is not to be contraband of war unless for the purpose of feeding the forces actually engaged in the war. Therefore the broad proposition is gained that foodstuff is not contraband of war unless the belligerent Power can show that it is destined for the forces engaged in the war.

Now this seems to me to be eminently a wise rule, but it is stated, however— and that is a point of controversy—that there shall be a presumption under certain circumstances that these foodstuffs are for the purpose of feeding the forces of the enemy. The presumptions are two or three in number—that the destination is presumed to exist; that the food is for the purposes of the enemy if the goods are consigned to the enemy authorities, which is quite conceivable—or to a contractor established in the enemy country who, as a matter of common knowledge, supplies articles of this kind to the enemy. The word "contractor" does not seem to be an apt translation of the word "commercant."

The PRESIDENT: It has been commented on several times.

Sir WILFRID LAURIER: I think it would be just as well to say "merchant" or "trader."

The PRESIDENT: It is not an apt phrase.

Sir WILFRID LAURIER: The next presumption arises: "If the goods which are consigned to a fortified place belonging to the enemy"—which is quite conceivable also—"or other place serving as a base for the armed forces of the enemy." The reviews and magazines in England have been full of comment upon the word, "base." That is why I asked, is there a definition of the word "base" in the Declaration of London to be found? We understand exactly what "base" is; it is to be found in all the books; it has been declared by judicial authority, and there can be no doubt upon that. Therefore the Declaration of London goes so far in favour of the neutrality of neutral vessels. The food carries the presumption that it is for the enemy; it is only a presumption; it can be rebutted by evidence, even if it is consigned to the enemy authorities. You would imagine that if food is consigned to the enemy authority it is not only presumptive, but absolute proof.

The PRESIDENT: But it can be rebutted.

Sir WILFRID LAURIER: Still, in such a case there is opportunity for rebuttal, and the party aggrieved can go to the court and say: "No; though this food was conveyed to the enemy authority, still it was not destined for war purposes."

I think the Declaration of London is humane in every respect, and, for my part, I think the duty of the Dominions is to stand by the Imperial authorities in this matter. I go further. Sir Edward Grey is negotiating at the present time a Treaty of Arbitration between Great Britain and the United States, and since we have been in England we have learnt with great joy that France is likely to go into that arbitration treaty also. No greater step, I think, has been taken for the higher civilisation of mankind than the negotiation of that treaty, and we all agree here, that if Sir Edward Grey is able to negotiate for, and have such a treaty enacted, it would be one of the greatest honours of his career and the greatest act of this century. If you prevent this agreement being passed, you put a bar and a stop at once on that

treaty, and the reason is overwhelming, therefore, why the hands of the Government should be strengthened by this Conference, as far as it can, being in favour of the ratification of the Declaration of London.

Sir JOSEPH WARD: I regard this matter as one of commanding importance, and so far as it is possible for a layman to master the situation, I have endeavoured to do so. I have discussed the legal points that may arise under the articles of the Declaration of London with my friend, the Attorney-General of New Zealand. My colleague, Dr. Findlay, will state the conclusions that he has come to from the legal aspect, and although some of the points have already been touched upon, it would be a source of satisfaction to the country I am representing if Dr. Findlay's views upon the legal position were stated.

I have also discussed the articles of the Declaration of London with a great many people who take a deep interest in the matter—professional men, merchants, shipowners, and others—and I find there is a considerable diversity of opinion among them on the subject. I recognise, too, that there has been, on the part of those opposed to the Declaration, a strong and persistent effort made to influence the opinions and judgment of the representatives of the oversea Dominions attending this Conference, and after weighing the views of those whose opinions I consider worthy of respect, and examining the matter carefully for myself, I have arrived at the conclusion that the Declaration of London now before us is better in the general interests of the British Empire, either as a neutral or as a belligerent, than the conditions existing at present.

The chief thing that actuated me in arriving at a decision favourable to the proposed Declaration was the one material question: Will the food supplies for Great Britain be exposed to greater risk than at present? After considering the matter as carefully as it was possible for me to do, I came to the conclusion that they would not be exposed to greater risks, but, on the contrary, there would be an improvement. Foodstuffs are to be recognised as conditional contraband, and their protection would be increased, because the captor has the responsibility of proving his case, and hitherto the responsibility has not been on the warship, but on the shipmaster or shipowner. Having come to that conclusion upon that point, the others that I looked into with the view to ascertaining our position in connection with the Declaration of London, though important, were not, to my mind, of such direct importance to Great Britain and the oversea Dominions as the one I have just referred to. For instance, I have a distinct recollection of what took place during the Russo-Japanese War, when a vessel from New Zealand called the "Knight Commander" was sunk by the Russians. The prize court was the tribunal of the country that sunk the vessel, and they would not give a penny piece in connection with the sinking of that vessel. Now it seems to me the proposals made here—I know there is a very strong exception taken to them by some people whose opinions are entitled to consideration—to establish an international prize court to which an appeal could be made, would be of very great importance in a matter of that kind. This aspect of the matter concerns the Dominion of New Zealand and all the other oversea Dominions. Great Britain would have representation upon an international prize court. To my mind, the representation of the small Powers is a minor matter, because the court would consist of not less than 9 or more than 15 members, and upon that court there would be eight great Powers; so that the minor countries to which the exception is taken that they have a right to sit and vote where important oversea Dominions have no right of vote at all would, as far as the great countries are concerned, every time be in a minority. Out of 15 members the smaller countries to which exception is taken as to their having representation upon the international court would be, practically, every time in a minority. Naturally, I am anxious to see that the oversea Dominions should not be overlooked in connection with an

important issue of this kind; but what weighs with me in considering this aspect of the matter is the fact that, generally speaking, there would not be more than two belligerents, and the balance of the representatives sitting upon the international court would be neutrals. If the assumption is, that because the right is given to countries outside the United Kingdom to have representation upon an international court, every time a decision affected a ship or the cargo of a ship, or any other matters referred by way of appeal to the international court, the neutral members of that court, because they were in a majority, as far as numbers were concerned, over the British members, would give decisions against British interests, they would find themselves, in all probability, at some future time in a similar position. It is not reasonable to suppose that anything of that nature would actuate men in coming to a decision upon matters which affect two belligerents, being tried by a court the members of which would be bound to be a majority of neutrals. Though I would naturally like to see Great Britain and the oversea Dominions having a larger representation upon such an international court, I do not think, after carefully considering the matter, that it is of such material consequence as has been represented to, and urged upon, me by people who are anxious and, I think, sincerely anxious in the matter, because opposition to it really implies that Britain should have a majority on such a court, and that is impossible. It does seem to me that when there is the substitution of a method by which cases can be tried by an international court as against a system, which exists at this moment, of your opponent trying his own case it is a most important advance.

As far as the oversea Dominions and Great Britain are concerned, I look upon the whole question as being a matter of the supremacy of the British Navy, and this is the crux of the whole position from the point of view of both the United Kingdom and the oversea Dominions. The preservation of the sea routes comes right into prominence from the standpoint of protecting our enormous interests. What is important to us and to England is that all oversea routes should be fully protected. When I remember that 90 per cent. of the ships carrying foodstuffs to England are British owned and under the British flag, I recognise, with regard to this question of dealing with our sea routes, how enormously important the maintenance of an Empire navy is, and how widespread the British interests are.

I do not quite agree with Sir Wilfrid Laurier—though I know he holds the view pretty strongly—as to the desirability, in the case of treaties, of our not having a say where possible they may affect the interests of any one of the oversea Dominions. I realize to the full that to-day without taking part in the treaties, in the event of anything untoward happening to the British Empire, it would be vital to the oversea Dominions, and whether they were taking part by way of suggestion or having treaties referred to them which affect the oversea Dominions, I recognise that directly and indirectly they are involved in connection with the general position of the maintenance of British supremacy. It does appear to me that it would have been very much easier, from the point of view of the British Government itself, if it had been possible for the proposed rules of this Declaration to have been submitted to the oversea Dominions, and if the oversea Dominions had gone into the matter fully, and the opportunity had been given to the whole of the members of the overseas Governments who are entitled to be heard on a matter of this kind to consider these proposals, I believe long ago we should have come to the conclusion that the course which has been pursued here is the best in the general interests of the Empire.

Sir Edward Grey's suggestion that for the future in connection with the Hague Conference for instance, the opportunity for consideration is to be afforded, which implies that if an alteration is made in connection with the Declaration of London as we are dealing with it to-day, the opportunity would be afforded to us, I think would be of material importance to all the Governments, including the British

Government, so that we should be able to go into the matter and express our opinion in time before the final decision was arrived at. I fully recognise the force of the point put forward by Sir Edward Grey, that as the Minister with the great responsibility upon his shoulders of directing the foreign affairs of the British Government, he has not always time to confer with his colleagues concerning circumstances which may arise. He has, moreover, to accept the responsibility, and the oversea Dominions, even if taken into consultation with the British Government, could not, during the sitting of a conference, always have the opportunity of expressing an opinion even on matters of consequence prior to the Secretary for Foreign Affairs deciding what course to take.

With regard to the definition of "base." I look upon that as important, and I recognise, with Sir Wilfrid Laurier, Mr. Asquith, and the other gentlemen, that as the matter is stated in the proposed rules it is practically as clear as it can be stated. I do not attach that importance which I know a number of people do to the suggestion that there is not to be a neutral port in England in the event of these rules being adopted. It does appear to me to be stretching the whole matter to an enormous extent to suppose that wherever a railway line leads to a port that is to be looked upon as a base, because foodstuffs might be conveyed over that line of railway to the forces, and used for the preservation or protection of England itself. So far as my judgment goes, the Declaration of London is an improvement upon the present position, and I therefore support its being approved.

Dr. FINDLAY: I do not know that I can contribute much fresh light to the very illuminating explanation we have had from Sir Edward Grey, but it seems to me this matter is of national importance, and it is better that one who has given very careful thought to it should not merely express concurrence, but should state very shortly the reasons which I think amply justify that concurrence.

I had the opportunity of studying this Declaration of London when it reached New Zealand, and having given it the best thought I could, I published there the detailed views which entitled me, I think, to urge upon our Government that it should be adopted. I desire to say that it seems to me that the more critically that Declaration of London is examined, the more fully will it be found that in every part of it it is an advantage to the British nation. I would impress, first of all, that it is at once an immense protection against the chances of war. The ultimate sanction, as a rule, in international law, is war. International differences arise, such as arose in the cases referred to by Sir Edward Grey, when Russia refused to recognize our view with regard to the sinking of those vessels, which might easily result in war. Now these chances of war would be enormously obviated by the protection of an independent and impartial international tribunal upon which there must always be a majority of neutrals, unless in the most inconceivable case of a very considerable number of nations being at war at the same time; so that, from the point of view of the constitution of your tribunal, the rights of neutrals may fairly look for as complete a protection as justice and impartiality can secure.

Now there has been an immense amount of misconception with regard to the true purpose and function of this Declaration of London. First of all, it makes no change or difference whatever with regard to the rights and powers of a belligerent against another belligerent. Those rights remain as heretofore. When Great Britain is a belligerent against a neutral it seems to me the Declaration is in our favour, because, speaking generally, Great Britain has hitherto imposed upon herself more restrictions in favour of neutrals than any other of the Great Powers. The relaxation which occurs in various of these clauses of that strictness is in our favour when we, as a belligerent, are dealing with neutrals. If we are a neutral dealing with a belligerent, we still have an advantage, because the Declaration imposes upon other belligerents restrictions which we, as a neutral, will be able to take

advantage of. So I put it that from either one of those two characters we look at—either Great Britain as a belligerent against a neutral, or Great Britain as a neutral against a belligerent—the Declaration of London confers upon us distinct advantages.

Now the point made by Mr. Batchelor in the matter which is immediately before us is that foodstuffs should be upon the free list. Foodstuffs have never been upon the free list. The British rule and practice heretofore are now contained in the Declaration of London, which substantially expresses what has been the British practice for at least a century. It clarifies the whole position, but what our representatives have done is to procure for us the recognition of the British rule with regard to foodstuffs as conditional contraband. So that upon that point it should be borne in mind we have not receded at all: we have lost nothing, but have gained. You have the further advantage that the Declaration expresses definitely the grounds upon which foodstuffs may become contraband.

I do not want to labour this matter, but only want to say, as far as I have been able to give it close attention, nothing has been lost in either clause 33 or clause 34, but we have secured for ourselves the advantage that by other nations our practice should be recognised. May I point out here that I received last night objections to this Declaration of London based on clause 33, signed by a very imposing array of admirals, which contained, as it seems to me, one entire misconception of the spirit and object of clauses 33 and 34. It is put that while Germany, or any other Continental nation, may have her food supplies delivered at a neutral port and thence transferred by rail, England is in no analogous position, and must necessarily lose by that situation. It seems to me that such a contention is quite untenable. If it be secured to Germany or any other Continental nation that she may have her foodstuffs delivered at a neutral port and thence transferred by rail, surely we may have our food supplies delivered at a neutral port, it may be on the Continent, and transferred by sea under the protection of the fleet of Great Britain! This provision is not one-sided. These gentlemen say it would be a bogus transfer to permit our supplies to come to a port in France and be conveyed protected from France here, and that would not be recognised by Germany, but treated as a breach of the spirit of this Declaration, and consequently the neutral ships would be seized. That seems to be quite inconsistent and quite erroneous. I take it—and I should like to know whether Sir Edward Grey agrees with this very vital point—the Declaration of London contemplates as a right and proper thing the delivery of food supplies at a neutral port with the admitted intention of transferring them to belligerent territory if they can be got there. It is not a bogus transfer at all, but a transfer within the spirit and meaning of the Declaration, and would, I take it, be quite valid, and Germany or any other country can only escape that conclusion if she violated the plain good faith which should lie below this Declaration. The point which is made there and made on a mere superficial criticism of this Declaration, is that a nation will not recognize the true spirit, meaning, and intent of the Declaration, that it will be violated in the interests of each particular nation, and, consequently, is of no use. Very well, if that is so, there is an end of the question. If that is to be the attitude in which each nation is to deal with a matter of honour, you might give up treaty-making altogether. This treaty rests, as every treaty must rest, upon the honourable obligation of each party to it, and it seems to me to beg the whole question when critics in one breath declare that a different treaty should be made, and in the next breath declare that a treaty so made will be ignored by those who signed it.

That brings me to the point of the splendid advance made under the Declaration, in the securing of an impartial tribunal. No student of international law can deny that the present system of adjudication by a prize court of the nation claimed against is utterly unsatisfactory, if it does not deserve a stronger adjective. You have here a

great stride towards that international arbitration which Sir Edward Grey is doing so much to promote in connection with that proposed treaty with the United States. This is a great step in that direction—the erection of an impartial and international tribunal, on which we and any other nation at war with us would be represented, and in which, with a membership of not less than nine and not more than fifteen, there must in practice always be a majority of neutrals.

The further point I desire to make in answer to the objection raised by Mr. Batchelor is with regard to the destruction of merchantmen. It seems to me that a good deal of his argument proceeded upon a misconception. First of all, Great Britain has not consistently said that it is improper to destroy ships in those cases.

Mr. BATCHELOR: I did not say so. I quoted Sir Edward Grey.

Dr. FINDLAY: I know, but I point out that both Lord Stowell, and later Dr. Lushington, said explicitly, that circumstances might justify the destruction so long as the owner was compensated. But that is not an important point.

The PRESIDENT: I think they laid it down that the owner must be compensated although the vessel was really liable to condemnation.

Dr. FINDLAY: Just so; but that does not seem to me to be the important point. The point is what do the other nations do? I think it was said that the United States do not recognise the right of destruction. The present regulations of the United States do recognise it. The present prize regulations of France, Russia and Japan—although Japan has since indicated a disposition to take our view—and the United States, permit destruction in these cases. While you have such a large amount of international support to destruction, it seems to me a little idle to complain that we have not been able to secure a thing which we ourselves have never done consistently, and secondly a thing which these strong nations have heretofore objected to do. But we have secured something much better than the existing state of affairs. First of all, the chapter begins with a declaration that destruction is not to take place. There is a general prohibition against destruction: 'A neutral vessel which has been captured may not be destroyed by the captor; she must be taken into such port as is proper for the determination there of all questions concerning the validity of the capture.' Then follow the exceptions, that where the observance of that rule would involve danger to the safety of the warship or the success of operations in which she is engaged at the time, then destruction may take place. Let me emphasize one point so far not noticed. The first thing which has to be done when this matter comes before a court is that the captor has to justify himself first and foremost, on the ground that circumstances demanded the action he took. He must show that the circumstances were so urgent as to come within these exceptions contained in Rule 49, and if he does not do that it does not matter whether the ship was liable to be captured or not; he has to pay compensation. I suggest that as a very strong reason indeed why a belligerent should think twice about capturing arbitrarily and improperly a vessel in those circumstances. No doubt it will not prevent it, but the fact that an independent tribunal would have the right to call upon him first to make clear to it that the circumstances did demand this drastic action will certainly potently act as a deterrent upon the present arbitrary and very often unnecessary destruction of neutral vessels in these cases.

I suggest that these circumstances taken together are a distinct advance upon the existing chaos, that they give a great measure of protection to us as neutrals, and that they deserve unqualified adoption by this country.

I do not think it necessary to traverse other grounds which have been raised. The point made that conversion might take place on the high seas is not touched by this Declaration at all, and it is found, if you look at the reports, that such nations as

France, Russia, and Germany all refused to take the British view and strongly resisted the British view, so it was hopeless to get an agreement, however desirable that may be, and the best that was possible in the circumstances was done.

For these reasons, and many others, with which I will not occupy the attention of this Conference, it seems to me that in every respect the Declaration of London is one of the best things which has been done for British commerce for very many years, and that, apart from any national obligation to ratify it, because we, in a sense, are responsible for it—upon the simple ground of self interest—it should, undoubtedly, in my judgment, be adopted. The expression of regret which is contained in the proposition I do not think calls for any discussion from me. It has led to an exceedingly interesting reply from Sir Edward Grey, and as Mr. Fisher does not make it the basis of any motion, it is unnecessary for me to refer to that now. The reply which Sir Edward Grey has given is still more gratifying I feel sure to every one at this table, and shows still more fully how closely those in charge of the destinies of the Empire are disposed to consult those who represent the Dominions over seas.

Mr. FISHER: I think it would be wise to pass some resolution on this point.

General BOTHA: I would suggest adjourning now.

The PRESIDENT: You would rather defer what you have to say until to-morrow morning?

General BOTHA: Yes.

Adjourned to to-morrow morning at 11 o'clock.

FOURTH DAY.

Friday, 2nd June, 1911.

The Imperial Conference met at the Foreign Office at 11 a.m.

PRESENT:

The Right Honourable H. H. Asquith, K.C., M.P., President of the Conference.
The Right Honourable L. Harcourt, M.P., Secretary of State for the Colonies.
The Right Honourable Sydney Buxton, M.P., President of the Board of Trade.
T. McKinnon Wood, Esq., M.P., Parliamentary Under Secretary of State for Foreign Affairs.

Canada.

The Right Honourable Sir Wilfrid Laurier, G.C.M.G., Prime Minister of the Dominion.
The Honourable L. P. Brodeur, K.C., Minister of Marine and Fisheries.

Australia.

The Honourable A. Fisher, Prime Minister of Commonwealth.
The Honourable E. L. Batchelor, Minister of External Affairs.
The Honourable G. F. Pearce, Minister of Defence.

New Zealand.

The Right Honourable Sir Joseph G. Ward, K.C.M.G., Prime Minister of the Dominion.
The Honourable J. G. Findlay, K.C., LL.D., Attorney-General and Minister of Justice.

Union of South Africa.

General The Right Honourable L. Botha, Prime Minister of the Union.
The Honourable F. S. Malan, Minister of Education.
The Honourable Sir David de Villiers Graaff, Bart., Minister of Public Works. Posts, and Telegraphs.

Newfoundland.

The Honourable Sir E. P. Morris, K.C., Prime Minister.
The Honourable R. Watson, Colonial Secretary.

Mr. H. W. Just, C.B., C.M.G., Secretary to the Conference.
Mr. W. A. Robinson, Senior Assistant Secretary.
Mr. A. B. Keith, D.C.L., Junior Assistant Secretary.

There were also present:

Lord Lucas, Parliamentary Under Secretary of State for the Colonies;
Sir Francis Hopwood, G.C.M.G., K.C.B., Permanent Under Secretary of State for the Colonies;

Sir C. P. Lucas, K.C.M.G., C.B., Assistant Under Secretary of State for the Colonies ;

Mr. J. S. Risley, Legal Adviser, Colonial Office.

Sir H. Llewellyn Smith, K.C.R., Permanent Secretary of the Board of Trade;

Sir Walter Howell, K.C.B., Assistant Secretary, Marine Department, Board of Trade;

Mr. G. J. Stanley, C.M.G., Assistant Secretary, Commercial and Statistical Department, Board of Trade;

Sir Ellis Cunliffe, Solicitor to the Board of Trade;

Mr. H. Fountain, Board of Trade;

Sir Eyre Crowe, K.C.M.G., C.B., Foreign Office;

Mr. C. J. B. Hurst, C.B., Assistant Legal Adviser, Foreign Office;

Rear-Admiral Sir Charles Ottley, K.C.M.G., M.V.O., Secretary to the Committee of Imperial Defence;

Mr. Atlee A. Hunt, C.M.G., Secretary to the Department of External Affairs, Commonwealth of Australia;

Mr. J. R. Leisk, Secretary for Finance, Union of South Africa; and

Private Secretaries to Members of the Conference.

Declaration of London.

"That it is regretted that the Dominions were not consulted prior to the acceptance by the British Delegates of the terms of the Declaration of London; that it is not desirable that Great Britain should adopt the inclusion in Article 24 of foodstuffs in view of the fact that so large a part of the trade of the Empire is in those articles; that it is not desirable that Great Britain should adopt the provisions of Articles 48 to 54 permitting the destruction of neutral vessels."

General BOTHA: The resolution proposed by the Prime Minister of the Commonwealth of Australia is one on which I express my opinion with great diffidence. At the same time I do not shrink from doing so to the best of my ability. I beg to ask you for your indulgence if in the course of my remarks I refer to points and arguments which have been amply discussed before and during this Conference—my excuse is that such great interest is taken in this question also in South Africa that I should like to place my views on record fully so as to explain my position in regard to it.

The first part of this resolution involves a question of the very greatest importance. The question is how far, when the Imperial Government negotiates with foreign countries agreements or treaties which may affect particular parts of the Empire, it should consult the self-governing Dominions concerned before committing itself. I intended to discuss this question at greater length, but after what has been said here on behalf of His Majesty's Government that does not appear necessary, and I shall content myself by stating my profound conviction that it is in the highest interest of the Empire that the Imperial Government should not definitely bind itself by any promise or agreement with a foreign country, which may affect a particular Dominion, without consulting the Dominion concerned. The debate in the House of Lords which took place on the subject of the Declaration of London was very instructive in connection with this principle. I closely followed the, if I may be allowed to say so, very excellent debate in the House of Lords on this important matter, and I believe that I am correct when I say that, with the exception of one noble lord, not a

single member looked upon the question at issue from the point of view of the Dominions, and the noble lord who did refer to it from this standpoint only did so more or less casually.

I do not wish it to be inferred from what I have said that we in South Africa feel any grievance as to our treatment in this connection during the past. I only desire to take this oppurtunity of stating that the Union of South Africa claims this to be a sound principle which must be recognised in the best interests of the whole Empire, and I have heard with great pleasure what Sir Edward Grey has said on this matter. We are now invited to express our regret that the Dominions were not consulted prior to the acceptance by the British delegates of the terms of the Declaration of London, and I beg to state at once that I would not feel justified in supporting such a resolution. I feel quite satisfied with the explanation in regard to this point as given by Sir Edward Grey, and I am sure that all my colleagues will agree with me that it would not be fair to us to pass this part of the resolution as it stands.

It seems to me that international agreements which provide for an impartial court of appeal from prize courts, and for a code of rules establishing uniformity on questions connected with maritime war, in respect of which there is at present so much divergency, must be of immense advantage to neutral powers. I would myself, therefore, be most unwilling to give a vote against the ratification of this Declaration, especially when I remember that His Majesty's Government have done everything they can to induce foreign Governments to agree to an International Prize Court and to a code of international rules, in respect of which all the Powers have made some concessions. It appears to me that a non-ratification of the Declaration would be a great blow to future negotiations for internatinal agreements. At the same time, notwithstanding these weighty considerations, if I am persuaded that this Declaration vitally injures the interests of Great Britain I would not hesitate to give my vote against its ratification.

I now come to the second part of this resolution. It is not my intention to attempt even to grapple with all the extremely difficult and intricate problems which are connected with this Declaration. It is not for me to discuss here whether it is on the whole to the advantage or otherwise of the United Kingdom to ratify this agreement, and I shall endeavor to confine myself more particularly to the point of view of the Dominions, and more especially of the Union of South Africa. If I may be allowed to do so, I should, however, only like to say this, that after having carefully considered the pros and cons of the Declaration of London, I have come to the conclusion that the balance of advantage is greatly in favour of ratification by Great Britain.

Objection is taken in the resolution to the inclusion of foodstuffs in Article 24 of the Declaration, which gives a list of conditional contraband articles, the contention no doubt being that foodstuffs should be included in the free list under Article 28. It appears, however, that, notwithstanding the persistent efforts of His Majesty's Government, some of the maritime Powers are opposed to this, and therefore it is at least gratifying that foodstuffs can never be made absolute contraband as they can now, by any belligerent Power which chooses to do so. I know it is said that no European nation ever would make foodstuffs absolute contraband, but this statement is certainly not borne out by the correspondence, which I have read in the White Papers presented to both Houses of Parliament, between His Majesty's Government and the French Government in 1885, and between His Majesty's Government and the Russian Government during the war between Russia and Japan.

The strongest attack against the Declaration of London has been directed against this particular Article 24. It has been argued that the food supply of Great Britain will be seriously endangered in time of war by the inclusion of foodstuffs in this article, and I have endeavoured to ascertain, after a careful study of the Declaration, how that part of the Empire which I have the honour to represent would probably be

affected by the clauses dealing with questions of conditional contraband. But what is the position when Great Britain is a neutral? It seems to me that there can be no doubt that British commerce and shipping all over the world should welcome the provisions which define the articles which may be made absolute contraband, conditional contrabrand, and which in no circumstances can be treated as contrabrand, because more certainty will be established as the conditions under which in time of war trade can be carried on, where at present there is no certainty whatever.

If the Declaration of London is ratified, traders and shipowners will be in a much better position to know what risks they run in carrying on their trade in time of war. Under present conditions should two powerful countries be waging war against each other, it seems to me that no one could say in how far neutral British trade could safely be carried on with those countries, and that British trade would be liable to be harassed continually with no other appeal than to the prize courts of the belligerent countries. As has been pointed out, if a belligerent under present conditions were to capture as contraband in a British ship, Great Britain being a neutral, a cargo of foodstuffs consigned to a neutral port or to a port of the other belligerent, the British owner could only appeal to the prize court of the offending belligerent. Of course Great Britain could emphatically protest against such action, and no doubt this would often be effective; but we have seen in recent times that such protest is not always so. Short of going to war, there would be no other remedy.

If the Declaration of London is ratified the chances of serious loss and risk of Complications will be reduced by the establishment of an International Court of Appeal, guided by definite rules to which all the important maritime countries of the world will have given adherence; and I submit a belligerent would consider twice before systematically acting in breach of such generally accepted rules, and thus run the risk of offending, not only one particular neutral, but all neutral powers who had agreed to them. My conclusion, therefore, is that Great Britain being a neutral, British trade and shipping, whether of the United Kingdom or of the Dominions, will be benefited by these articles in the Declaration of London.

What effect will these articles in the Declaration of London have on a Dominion like South Africa when Great Britain is a belligerent? Now, it has been argued that Articles 24 and 33 will, when Great Britain is at war, make it possible for a powerful enemy to prevent any foodstuffs at all being sent to a Dominion like ours. If this were true I would, nothwithstanding advantages to us which I might see in other articles of the Declaration of London, take serious objections to its ratification. I cannot, however, imagine how anyone who has studied the Declaration of London could arrive at such a conclusion, seeing that in view of the provisions contained in Article 35 of the Declaration, South Africa, in respect of importation of food stuffs, would be in as good a position as if they were on the free list in the event of a war between Great Britain and some European Power other than Portugal, and I think it may be safely assumed that in a European war Portugal would be neutral. Delagoa Bay is the best port in South Africa, and at present nearly 60 per cent of the imports into the Union of South Africa enter through that port. The distance between Delagoa Bay and Johannesburg by rail is only about 400 miles, and every important part of South Africa, including Rhodesia, is now connected with Johannesburg by rail; any quantity, therefore, of foodstuffs and other articles in the list of conditional contraband can be imported into South Africa with impunity through the neutral port of Delagoa Bay in the event of war to which Great Britain was a party.

It is not only in regard to foodstuffs but also in regard to all goods which are made conditional contraband under Article 34, that in view of Article 35 South Africa would, as it appears to me, be in a favoured position whenever Great Britain is a belligerent. When I look at the list of conditional contraband goods, and at the list of free goods under Article 28 of the Declaration, it seems to me that they include nearly all the classes of goods which form the import trade of South Africa, and

which would not therefore be to any serious extent affected by war, as long as there are neutral ships to carry them. I notice also that the free list contains nearly all the classes of goods forming our export trade with the exception of bullion, gold, and maize, which are placed in the list of conditional contraband, and which form a very substantial part of our export trade. If there should be any difficulty in conveying this gold and maize to England, during a war between her and some other Power, there would be no difficulty in exporting them to a neutral Continental Power, where they could be disposed of as readily as they could be in England. But I go much further, and I do not even see how the Declaration can possibly be considered to mean that all foodstuffs in neutral bottoms conveyed to the ports of the Union, could legally be captured by the enemy.

It seems clear to me that the general principle laid down in Article 33 of the Declaration of London is that foodstuffs in neutral bottoms can only be captured legally when they are shown to be destined for the armed forces or Government Departments of the enemy. It is true certain presumptions of such destination are created by subsequent articles, but these cannot, in my opinion, alter the general principle. I fail to see how it could ever be held that foodstuffs consigned to an ordinary trader (who does not fall within the terms of Article 34, as one who as a matter of common knowledge supplies articles of this kind to the enemy) in any part of the Union, were legally liable to capture. It seems to me that Article 34 is not doubtful, and when, as Sir Edward Grey has promised, it is made clear on the ratification of the Declaration by Great Britain that she agreed that the word "enemy" in this article should mean "enemy government" any possible doubt which may have existed on this score will be removed.

I cannot conceive how any International Prize Court could, according to the rules laid down in the Declaration, ever hold that an enemy of Great Britain has acted legally when such enemy has captured foodstuffs in neutral bottoms which were addressed to, say, an ordinary trader in any of our harbours in the Union, and of which there could be no reasonable suspicion that they were not intended for the peaceful population. I should like to point out further that whatever importance may be attached to the authoritative General Report of the Drafting Committee, the "Renault Report"—and we have now heard that it is of the greatest importance—this report, I submit, fully bears out my interpretation of Article 33. The Report reads as follows: "War may be waged in such circumstances that destination for the use of a civil department cannot be suspect, and consequently cannot make goods contraband." For instance, there is war in Europe, and the Colonies of the belligerent countries are not in fact affected by it. Foodstuffs and other articles in the list of conditional contraband destined for the use of the Civil Government of a Colony would not be held to be contraband of war, because the considerations adduced above do not apply to their case, the resources of the Civil Government cannot be drawn on for the needs of the war.

In the case presupposed by the Committee therefore even foodstuffs destined for the Civil Government in a Colony could not be legally captured as contraband. Under which circumstances, then, could foodstuffs in neutral bottoms consigned to ordinary traders or private persons, and clearly destined for the peaceful population of the country, be legally captured as contraband? Even if the war were to be actually carried on in South Africa I submit that foodstuffs consigned to ordinary traders in the harbours of the Union and destined for the peaceful population could not legally be captured. If there is any doubt about ports like Cape Town and Durban, that they might be considered to fall within the scope of Article 34 as fortified places belonging to the enemy, or places used as a base of operations or supply, there could, I submit, be no possible doubt about harbours like Port Elizabeth, Mosselbay, East London, and others.

Now I am aware that the argument of those who are opposed to the Declaration is that a commander of an enemy cruiser would only be doing his duty towards his

own country if he were to capture every neutral ship carrying foodstuffs to any British harbour, on the ground that they are consigned to a fortified place belonging to the enemy or a place serving as a base for the armed forces of the enemy; that, in fact, commanders of the enemy cruisers would consider these words as applicable to practically every port in the Empire. They argue that in ratifying the Declaration of London neutral Powers would relinquish their power to remonstrate, Great Britain herself could, of course, in any case only protest in these circumstances by pushing on the war as hard as possible, and that the only appeal would lie to an International Court after the war would be over and the mischief had been done which may have caused disaster to Great Britain.

With this argument I cannot at all agree. If a belligerent during the course of a war were to put such, to my mind, utterly wrong interpretation on the Declaration of London, there is nothing whatever to prevent the neutral Government concerned from protesting in a most emphatic manner. If such a belligerent were to handle neutral shipping so unfairly this Declaration of London will, in my opinion, probably make a combined protest on behalf of all important neutral Powers much more likely than would otherwise be the case. The position to-day is that a powerful enemy of Great Britain may conceivably declare foodstuffs conveyed to harbours of the Union contraband, or at least capture such foodstuffs on some pretext or other. As far as we would be concerned we could only fight all the harder, and the only remedy which neutrals would have would be to protest and, in the last resort, to go to war—a remedy which, as Sir Edward Grey has pointed out, would almost always be disproportionate to the evil, and one which it is most unlikely they would resort to. From this point of view also, therefore, in my opinion, the Declaration of London will be a material improvement on the present position.

After the very lucid explanation of Sir Edward Grey I need not say much about Article 49 of the Declaration, which makes an exception to the general rule established in Article 48 prohibiting the destruction of a neutral vessel by the captor and requiring it to be taken into such port as is proper for the determination there of all questions concerning the validity of the prize. There has been much criticism on this article, but it seems to me beyond dispute that it protects the destruction of neutral vesesls more than they are now protected from destruction under the practices of some of the European Powers, and the safeguards appear to me to be of such a nature as would make a captor more cautious in proceeding to destroy a neutral vessel than he would be now. It was evidently impossible to get all the Powers to agree to the proposition that under no circumstances ought a neutral prize to be destroyed, and the most that could be done, therefore, was to establish uniformity in this practice, and to make the conditions precedent to the sinking of a neutral ship of such a nature as to prevent it as far as possible ; and it appears to me that such conditions are prescribed in the Declaration.

I have endeavored to confine myself in my remarks to those points which have beeen raised by this resolution. Only one who has had an opportunity to devote a very long and careful study to this subject could adequately discuss the many other and intricate problems involved. I have only tried to give my reasons for not being able to support this resolution, and for saying on behalf of the Union that there seems to be no reason to fear that the interests of that part of the Empire which I have the honour to represent will be prejudiced by the ratification by Great Britain of the Declaration of London.

Sir EDWARD MORRIS : I should like to see the resolution amended to some extent, especially in view of what we have heard from Sir Edward Grey, and do not think it fairly represents the position of the British Government in relation to this matter. The explanation of the Secretary of State for Foreign Affairs as to why the Dominions were not consulted is a fair and reasonable explanation, and one that

commends itself and will commend itself to everyone. Further, he stated it was the natural outcome or corollary of the Hague Conventions, as to which the Dominions were not consulted—and it was a reasonable assumption, I think—from the fact of their knowing both these were going on and they had not been consulted, that to a certain extent they gave their consent.

However, on the general principle I agree that it would be well—and, I think, it would be only right and in harmony with the spirit now prevailing—that in future on matters like this in which there is an interest and a partnership, that they should be consulted; but there is no longer any doubt on that point now, as the Secretary of State has informed us that that will be done, and that, in a way, I think, will probably be one of the most important results of this Conference—that statement by him that in future matters of this character will be submitted for consideration to the Dominions.

Now as regards the Declaration itself, I have endeavoured to study a good deal of the literature in relation to it and I agree with those who say that the Declaration of London is an improvement in every sense of the word. Anyone who has read the debate referred to by General Botha that took place in the House of Lords, particularly between the Lord Chancellor and Lord Halsbury, must see that on nearly every point, particularly in relation to the International Prize Court, we have gained considerably, and it is an advance on every point. A great deal of the literature in both Houses where it has been debated and in the Press is to a certain extent coloured, and one has to seek opinions and information from those who have no very special party interest. Now I take it that the Lord Chancellor's speech is practically a Judgement on this Declaration as if he were sitting on the Bench, and it is important and instructive in that way; and I think all round we have a new work on International law and what was chaos and confusion before is now to a very large extent made clear and certain.

For these reasons I should be sorry to see any resolution go on record which might be misunderstood, which might be misleading, and which probably now would not be intended.

Mr. FISHER: I am sure we are gratified, and I think the whole Conference are pleased with the manner in which the debate has been carried on on this resolution submitted by the Commonwealth. The members will see that the terms of the resolution are such that it is not intended to hit either at the Government or at the Declaration itself. There were certain features in that Declaration which appeared to us to be bad, and which should not appear there in the way in which they do appear. The whole general trend of the Declaration was not attacked, and has not been attacked at any time—at least from our side; but we did think, and Australia has thought for many years, that we should have been advised in some way not merely prior to the signing of the Declaration or a treaty or a convention affecting our interest, but we should be informed before the ideas of the Imperial Government had matured on any subject that would materially affect our interests one way or the other. That is our view. I think General Botha put it very clearly in his statement this morning when he said that the Imperial Government should not bind themselves with foreign countries before consultation. That is a very definate statement.

Sir D. DE VILLIERS GRAAFF : Affecting a particular Dominion.

Mr. FISHER: Obviously that is so. Hitherto, I think, there have been promises of such a thing being done, but not in such a definite, district, and clear way as it was put to the Conference by the Secretary of State for Foreign Affairs the other day, speaking on behalf of the Government; and we feel gratified that a new

condition of affairs shall prevail from now, I presume. I do not know whether I can make it clearer, but that new condition of affairs, as I interjected while the matter was being discussed by the Secretary of State for Foreign affairs yesterday, should not be limited to questions that are brought before the Hague Conference, but should apply to other questions also, and that, I think, is concurred in. We do not feel under the circumstances that we should press this resolution now, but it has been suggested, and we approve of it, that as the Declaration itself is a great advance on any previous arrangement in international affairs, it would be wilful waste of, shall I say, energy, and a loss of valuable labours if we were to destroy it simply because it does not contain everything that we desire. I spoke strongly in opening about our desire to co-operate in every effort of the Imperial Government and all other Governments to provide machinery for the settlement of International disputes without resort to war. This Declaration is undoubtedly a new and additional piece of machinery ; it will be a valuable piece of machinery. We do not say it is perfect, we say it is a long way from being perfect from our point of view ; but we do say that as it stands it is much too good for us to vote against.

I propose, with the concurrence of the Conference, to ask leave to withdraw that motion, and to substitute another motion to this affect : "That this Conference, after hearing the Secretary of State for Foreign Affairs, cordially concurs in the proposal of the Imperial Government, viz.: (*a*) that the Dominions shall be afforded an opportunity of consultation when framing the instructions to be given to British Delegates at future meetings of the Hague Conference, and that Conventions affecting the Dominions provisionally assented to at that Conference shall be circulated among the Dominion Governments for their consideration before any such Convention is signed ; and (*b*) that a similar proceedure, where time and opportunity and the subject matter permit, shall as far as possible be used when preparing instructions for the negotiation of other international agreements affecting the Dominions." It is not necessary to say any more about that. We think, as I have said publicly and here, that the matter is of far too great consequence to the Dominions to be made a controversial party matter at all. It is for that reason that we desire to have this Conference unanimous in coming to any conclusion, and with the permission of the Conference, we would ask leave, after the statement made yesterday by the Secretary of State for Foreign Affairs, to withdraw our resolution and substitute this one.

General BOTHA: Will you read it again?

The PRESIDENT: I will read it again: "That this Conference after hearing the Secretary of State for Foreign Affairs cordially concurs in the proposals of the Imperial Government, viz.: (*a*) that the Dominions shall be afforded an opportunity of consultation when framing the instructions to be given to British delegates at future meetings of the Hague Conference, and that Conventions affecting the Dominions provisionally assented to at that Conference shall be circulated among the Dominion Governments for their consideration before any such Convention is signed" —that deals with matters like the Hague Conference and such things as the Declaration of London. Then "(*b*) that a similar procedure, where time and opportunity" —those are limitations which you will remember were suggested—"and the subject matter permit, shall as far as possible be used when preparing instructions for the negotiation of other International Agreements affecting the Dominions." This is proposed by the Australian Government, but I think it does carry out exactly what Sir Edward Grey yesterday undertook to be the procedure of the future.

Sir EDWARD MORRIS: It has occurred to me whether the word "concurs" should be used, because there is no question of concurrence in such a statement as that. I think some word in the nature of "welcomes" should be used. It would be unlikely we would do anything but concur in a matter of that kind.

The PRESIDENT: "Cordially welcomes." shall we say?

Mr. FISHER: I agree with the word "welcomes."

Sir EDWARD MORRIS: Anything that expresses that idea.

The PRESIDENT: If Mr. Fisher approves I will substitute the word "welcomes."

Mr. FISHER: Yes, it softens it.

The PRESIDENT: I do not know that it wants softening.

General BOTHA: Do I understand you think this will not handicap in any way the British Government?

The PRESIDENT: In order to prevent the possibility of that, and Mr. Fisher very fairly acknowledged yesterday that we must be careful in these matters, and Sir Wilfrid Laurier pointed out many important considerations—in the second branch here the words used are rather carefully chosen: "a similar procedure where time and opportunity and the subject-matter permit."

General BOTHA: I want it clear. I do not want to handicap the British Government. I want them to undertake the full responsibility.

The PRESIDENT: The British Government do not want to shovel it off on to the Dominions.

Mr. FISHER: I do not want to handicap you either. We want to be associated as far as possible.

The PRESIDENT: I really think that this gives effect to both views in the resolution. Speaking on behalf of the Government I think it does. Then is it the pleasure of the Conference that this resolution be adopted?

The resolution, as amended, was carried unanimously.

Sir JOSEPH WARD: I think it would be desirable in view of the position that we have got to now, for the Conference to express an opinion on the Declaration of London, and I suggest we put on record our view: "That the Conference after full "consideration and debate approves the ratification of the Declaration of London." If we are all in agreement as to the desirability of the Declaration of London, as we have it, being ratified by the British Government, I think the mere expression of our opinion which does not after all concrete into a practical proposition is not sufficient; and it seems to me it would be just as well, as we have unanimously supported it, to express our opinion in the direction I have indicated.

Sir WILFRID LAURIER: For my part I shall be very glad if you will move in that direction.

Sir JOSEPH WARD: I move "That the Conference, after full consideration and debate, approves the ratification of the Declaration of London."

Sir WILFRID LAURIER: I shall be very happy to concur in that resolution.

Mr. FISHER: I find myself in a difficulty here.

The PRESIDENT: May I say a word before Mr. Fisher states his difficulty? I quite recognize the position that the Australian Government has taken up in this matter, and, if I may venture to say so, the admirable spirit which they have shown in their desire to secure unanimity in our procedure with regard to this matter. It is in every way worthy of them, and of the spirit which has animated the Conference from the beginning.

I confess, speaking on behalf of the British Government, I do attach considerable importance to the passing of such a resolution as this, because, for reasons which no one has given better than Mr. Fisher just now, it is a tremendous step in advance in the direction of first of all framing a code of International Law, which, though it may not be perfect, and we do not for a moment contend that it is perfect, and recognize the force of many of the criticisms which have been made in regard to particular provisions—is yet an enormous advance upon anything that has hitherto taken place, and setting up simultaneously an International Court which may be trusted to act impartially in the administration of that code, and in the settlement of concrete cases in dispute which may arise under it. To have got the Great Powers of the world into agreement upon a point like that seems to us to mark such a tremendous and significant step on the road which we are hoping to travel, that it will be an immense encouragement, I think, if this Conference, representing as it does all the self-governing parts of the British Empire, whatever opinions we may individually entertain as to particular provisions of the Declaration of London, and, however much we should like to see a phrase altered here or there, and something if you like omitted, or something added, will, looking at what Mr. Fisher called the general trend and object of it, welcome it and say: "Yes, it is a thousand pities to throw away this chance which you would do if you refused ratification now." There is nobody here who does not wish to see the Declaration ratified, even Mr. Fisher himself, although he would wish to see it amended in particulars. In ratifying the Declaration now we do not in the least prejudice our freedom of action in the future to advocate further advance. Some of the points which have been adverted to in the course of this discussion, in particular that very important point of the conversion of merchant ships into ships of war, are matters in which we do not pretend that we have reached a final or on the whole even a satisfactory result; but there is nothing in the ratification of the Declaration which will prevent us by persuasion, by argument and ultimately by negotiation, from inducing or getting the other Powers to assent to the introduction of amendments and improvements in it. But there it is, a milestone, if ever there was a milestone, on this road of progress, and I confess I think it would be a very great satisfaction to the Empire at large if such a representative body as this were to say: "Yes, you would not be doing right but doing wrong, and throwing away a really good opportunity, if at this stage you did not ratify what has been done." That, of course, does not involve any abandonment of the position which Mr. Fisher takes up, and with which I have a great deal of sympathy, that the Dominions might have been consulted at an earlier stage as they are going to be consulted in the future, and that, I think, was the main head and front of his resolution, and the motive of it. That having been cleared out of the way by our unanimously assenting to the proposal he has just made, which will obviate the possibility of any such complaint or misunderstanding in the future, I think we might unanimously agree that the right and only proper course at this stage is to ratify the Declaration of which in spirit and substance we all approve.

Mr. FISHER: The point I raise is this: The Declaration of London has not been brought before this Conference for approval. It was an act of your own Government, which we commend, and commend very clearly and definitely. We commend the policy of it. We commend the whole trend of that policy and the wisdom of the Minister or those responsible for drafting it. Having said all that we, as a self-governing Dominion, received it when it was practically ready for signature, and we were told that it was beyond amendment; but we make no complaint of that part because the responsibility must rest with someone. Sir Edward Grey said here yesterday that it could not be amended. If objected to, it would have

to be abandoned; the only thing that he could do and intended to do was to define definitely the meaning of certain words and terms which would not invalidate in any way the agreement come to.

My contention is that the motion which has just been passed on the withdrawal of our resolution of inquiry and attack, if you like, met with absolute approval because no opposition had been offered. But now a proposal is made that we approve where we, as a Government, have said we disapprove. I have said in my remarks again and again, and I say now, that the weight of advantage in having a declaration or treaty or convention of that kind is such a great step in advance in international agreements that it would be, I think, a pity to throw it away. That, however, is a different thing from making a clear and distinct statement here that we approve of the whole of that treaty.

The PRESIDENT: Allow me to say I should quite agree that would be a resolution that the Conference could not be asked to adopt. All that Sir Joseph Ward proposes is not to approve of the Declaration, but to approve of the ratification at this stage of the Declaration—a wholly different thing. That gives you perfect freedom of opinion as to particular questions.

Mr. FISHER: My lay mind cannot perhaps grasp it, but Sir Edward Grey said this Declaration is settled and final.

The PRESIDENT: No, not final.

Mr. FISHER: He said so here.

The PRESIDENT: Not final in the sense that no further progress can hereafter be made.

Mr. FISHER: Certainly not; but we can only speak of the thing that is before us—the Declaration of London. We should have the right to raise the point and to bring it before you, and you the right to ask for a new Convention and to discuss an improvement on that and better it and revise it if you see the chance. But that is quite a different matter. We hold that it might be improved, and we hold with you in all your devices to improve it; but we find ourselves in this difficulty, and in a word we say this: While we cannot under the circumstances give our full approval to it, we shall go so far as not to oppose it.

The PRESIDENT: You do not dissent from it?

Mr. FISHER: No.

The PRESIDENT: May I take it the other members of the Conference are in favour of that resolution? [AGREED.] Then the resolution is carried, the Government of Australia abstaining.

Mr. FISHER: Yes.

The PRESIDENT: Perhaps you will forgive me if I leave the Chair. I am obliged to go to the House of Commons. It is the first time I have absented myself from the proceedings here.

The Right Honourable L. HARCOURT took the Chair.

Commercial Relations and British Shipping.

"That it is advisable in the interests both of the United Kingdom and of the British Dominions beyond the Seas that efforts in favour of British Manufactured goods and British shipping should be supported as far as practicable."

The CHAIRMAN: Item No. 1 on the Agenda will be left over for further discussion after Whitsuntide, and we will begin with Item No. 2: "Commercial Relations and British Shipping."

Mr. FISHER: The resolution is: "That it is advisable in the interests both of the United Kingdom and of the British Dominions beyond the seas that efforts in favour of British manufactured goods and British shipping should be supported as far as is practicable." Members of the Conference must be aware that other countries give very special facilities to shipping both by subventions and also contributions from national exchequers to assist their ships in competition with British ships. We in Australia, have helped to counter-balance that by legislation to facilitate our shipping in competition with them, but I would like to leave that matter to the Minister of Defence, Mr. Pearce, who will elaborate it a little more.

Mr. PEARCE: In 1906 the Commonwealth Government, acting on the lines of this resolution in dealing with the tariff, brought in proposals for preferential trade, by which a preference of 5 per cent was to be given to British manufactures, with a view to encourage British shipping and in order to do something to equalise the unfair conditions existing between British shipping and foreign shipping trading to Australia, they attached to the Bill which brought in the preferential trade relations a condition that the goods which were to get the benefit of the preferential rate should be brought into the Commonwealth by British ships manned by British seamen. The Bill was withheld by the Governor-General for His Majesty's assent, and representations were made, I understand, that the proposition came into conflict with certain treaties which the Government of the United Kingdom had entered into with foreign countries. It is difficult to deal with this subject without bringing in the subject of navigation, but as that is the subject of a separate resolution I will not touch on this more than is absolutely necessary.

The CHAIRMAN: If you like to take the subject of the navigation laws at the same time, it would be quite convenient.

Mr. PEARCE: No, I prefer to take it separately. In dealing with our navigation legislation in the Commonwealth so far, we have not yet passed an Act, though the Bill has been before Parliament on several occasions. The Government of the United Kingdom, through the Board of Trade, have from time to time made representation to the Commonwealth Government with a view to inducing the Commonwealth Government to alter the provisions of their Navigation Bill, and they have made representations that some of the clauses in the Navigation Bill pressed hardly upon British shipping.

Now we are faced with this position, that round the coasts of Australia there are several very powerful subsidised lines of foreign steamers—very heavily subsidised some of them—and, moreover, they are vessels that are under an agreement with those foreign governments to be placed at their disposal in the time of war; some of them, as the result of those subventions and the conditions attached to them, being manned by trained naval reserve men, and the Government of the Commonwealth have thought it their duty, in the interest not only of the Commonwealth but of the

Empire generally, to endeavour to assist British shipping in their competition with this subsidised foreign shipping. Obviously, the only way in which we could assist them was by exempting them from the provisions of our mercantile law, where that mercantile law laid upon them obligations which would entail expenditure. Accordingly it would be unfair to our own ships, because we laid down those obligations upon our own ships, to put our own ship masters to the expense which it would entail, and if we exempted British shipping from those conditions we would be subjecting our own Australian shipping to unfair competition from British shipping; so that we could not take that upon us. It was with the intention of giving some assistance to British shipping in this unfair competition with subsidised foreign shipping, and assisting British shipping on our coasts, that the Bill I have referred to was introduced, and passed both Houses of Parliament. I may say that the Bill, as originally introduced, did not contain a provision which was put in as the result of an amendment made in the House of Representatives, but it was approved of by both Houses of Parliament with a substantial majority.

The only other way in which British shipping could be assisted in the fight for the Australian trade against foreign shipping would be by action taken by the United Kingdom on similar lines to that which is taken by foreign countries. With that we have nothing to do, and nothing to say to it. That is entirely a question for the Government of the United Kingdom, and entirely a question of policy for them, and therefore we do not make any statement as to our views on that question. But the view we wish to discuss here to-day is this: That the principal difficulty raised as to not giving assent to the legislation which was proposed by the Australian Parliament was that a certain number of treaties with foreign countries stood in the way. I think I am correct in saying that the greater number of those treaties were with small countries, the trade of which was inconsiderable compared with the trade of Australia and New Zealand, and the only obstacle therefore to the Australian law receiving assent was the denunciation of those treaties. The point of view we wish to put is that if the Dominions, by their legislation, desire to assist British shipping, and assist it in the only way open to them, the Government of the United Kingdom might very well consider the advisability of denouncing those treaties which stand in the way of the realisation of that idea by the Colonial Governments.

There is another feature of this case which will no doubt be advanced by the Government of the United Kingdom, and that is that we, in the Bill to which I have referred, debar from participating in its benefit those British ships which carry Lascar crews, or coloured crews other than European. The crews had to be crews of European descent. Lascars were not specifically mentioned, but the stipulation was that the crews had to be of European descent and British subjects. Now it is a well-known fact that there is a question which has been disturbing the minds of British statesmen for many years past, and that is the gradual decline of British seamen on British shipping, and their displacement on the one hand by foreigners and on the other hand by coloured men. That is a problem, of course, with which, as regards British shipping, this Conference is not concerned directly. It is again a question of policy with the British Government; but we would submit that when by Dominion legislation, which we claim we have the power and the right to pass, we endeavour to assist British shipping which is concerned wholly and solely in the Australian trade to the United Kingdom, it is not against the general policy of the British Government of doing evenhanded justice to all sections of the Empire, white or coloured, and we should not be interfered with in carrying out that policy in the way which we think fit. The trade to which we referred was peculiarly and entirely Australian trade; it was not Indian trade or China trade, or Japanese trade, or trade with any other Asiatic country, but it was peculiarly and entirely trade directly from Great Britain to Australia, because the goods made the subject of the preferential tariff had to be manufactured in the United Kingdom. If the goods were of foreign

manufacture they could not get the benefit of the preferential tariff. While we do not ask that our view should be consulted at all with regard to legislation by the United Kingdom on those subjects, we do ask that opportunity should be given to Australia to carry out her view and assist British shipping in the way we have indicated. We think that is a fit subject to be discussed at this Conference in view of the fact that possibly other Dominions may also wish to assist British shipping because we, in the outlying Dominions, feel that it is of vital importance to us that the fast merchant steamers around our coast should be owned either in Australia or in Great Britain, or by British capital, and that they should be manned by Britishers, because we know after the discussion we have had on the Declaration of London, we realise that these merchantmen may in time of war be turned into ships of war, and it would be a calamity, not only to Australia but to the Empire, if the British mercantile flag is to decrease in our waters and be displaced by subsidised foreign merchantmen carrying crews that are already trained in the arts of war, and therefore formidable enemies to us in a time of crisis. It is for that reason we bring forward the resolution, and those are the points which we wish to bring before the Conference for their consideration.

Mr. BUXTON: I was not aware what points would be raised on this resolution, and I did not know therefore that this particular point would have been raised in connection with it. But it having been raised perhaps the Conference will allow me to say a few words with regard to it.

The position which His Majesty's Government have taken up upon it is a twofold one. Mr. Pearce explained what was proposed by the Australian Act, and may I say, in passing, that as far as the object is concerned, we very much appreciate the desire of the Australian Commonwealth Government in reference to this matter, namely, to assist the British shipping in connection with the Colonies, and as far as possible to give an advantage to British shipping over foreign shipping in the Commonwealth. As far as the object is concerned, therefore, we are obliged to the Commonwealth for what they have done and what they were desiring to do. But the question had to be considered not only from the point of view of British shipping in connection with the Commonwealth, but we had to look at it from the point of view of British shipping all the world over.

Mr. Pearce said that the point was taken—and he is correct in saying so—that we, in agreeing to this proposed Act of the Commonwealth would have conflicted in many respects with some of our treaties with other nations, and he seemed to imply, I thought, that we might denounce these treaties, at all events a portion of them, with a view of obtaining freedom in connection with this matter. No doubt that might be done under certain circumstances if the end in view would justify the means, but the view we have taken about it is much wider than that. I am speaking now as to our position as regards foreign ships and foreign trade. We think it is not a question of merely denouncing the treaties, but that if this attempt was made, which is the suggestion, namely, to confine the trade of Great Britain with the Commonwealth to British or to Commonwealth ships, this would be very largely resented by the Foreign Powers interested, and the result would be that we should be open, as we are open all the world over, to attack and retaliation.

Mr. PEARCE: It is not the whole trade, but only the trade in those articles which are the subject of the preferential tariff.

Mr. BUXTON: Yes, but still it is practically confining the trade, or very largely excluding foreign ships from a portion of the Australian trade. What we, as representatives of British shipping here, and representatitves, I hope, of the British Dominions as well, are nervous about is the power and opportunity of retaliation against our British shipping all the world over on any of these matters.

I would point out to the Conference that out of the 285,000,000 tons of British shipping all the world over, no less than 164,000,000 tons goes to foreign ports, and a comparatively small portion goes to Australian ports, and therefore for the advantage and no doubt the considerable advantage, of the trade of the Commonwealth, we do not think it would be worth while to risk the possibility of disadvantage accruing to the very enormous trade which we have with other Powers. That is really the substantial reason why, as at present advised, we do not think on the whole it would be expedient to adopt the proposal of the Commonwealth Government.

As regards one question incidental to that raised by Mr. Pearce, namely, that they would not only propose to differentiate against foreign ships, but at the same time they would differentiate against British ships which carried crews other than white crews, that particular point I think will be raised on a motion of Sir Joseph Ward later on on some subsequent day, and so perhaps I had better not discuss it now. But I should like just to say this, in reference to what fell from Mr. Pearce, that I cordially agree that as far as possible the British mercantile marine should be manned by British subjects—I am not touching on what their colour should be, but British subjects. I daresay it would be to a certain extent a satisfaction to Mr. Pearce to know that since the passing of the last Merchant Shipping Act of 1906 the proportion of British sailors as compared with foreign sailors has gone up in percentage. In 1905 it was 68 per cent, as against 15 per cent of foreign sailors, and—I am not speaking of Lascars and Asiatics—in 1910, it had gone up to 73 per cent as against 11 of foreigners. So as far as it goes the tendency is in the right direction. I do not say it is altogether satisfactory.

Mr. PEARCE: What proportion of them are British, and what proportion Lascars?

Mr. BUXTON: These are entirely whites we are speaking of.

Mr. BATCHELOR: It is much more satisfactory than the previous development—two years before.

Mr. BUXTON: Yes it is. For some years before it was stationary. Since the Act of 1906, I am glad to say, the proportion has, as I have pointed out, very materially increased. We are not satisfied with that, we should like to see a higher proportion still of British as against foreign sailors in our mercantile marine, but I thought it would be a satisfaction to Mr. Pearce to know that the tendency is in the right direction.

I am afraid I am not in a position to accept this resolution if it is intended to apply to the particular point raised by Mr. Pearce. I took it as a general proposition to which we should assent in principle, and as regards the general proposition I should have no objection to it. But at the moment, at all events until the trade develops more than it is at present, the position that we have taken is that the result might be, if we accepted the Australian position, possibly, a serious disadvantage to British trade without material advantage on the other hand.

Sir WILFRID LAURIER: This question is a purely Australian one, but it involves principles in which all the Dominions are certainly interested. I do not know if I have correctly apprehended the whole tenor of the question. I will state it as I understand it and if I am wrong I would like to be corrected, so that we may know exactly the true situation we have to deal with.

The question arises, as I understand, from a Bill which was passed some years ago by the Commonwealth of Australia giving for British manufactured goods a preference of 5 per cent on condition that they were carried in British bottoms, with the further condition that the crews should be exclusively white. For the moment we can eliminate the colour question and confine ourselves simply to the fact that the condition of this preference was that the goods in order to earn the preference

should be carried in British bottoms. As I further understand, this Act was returned and the assent was refused on the ground stated by the British Government that its disposition would interfere with certain treaties of commerce now existing between England and various nations. It would be important to know exactly what are those nations and what are those treaties, and the discussion would perhaps be more profitable if we knew exactly the full extent of what those treaties are; but leaving that aside for the moment we are face to face at the present time with a condition of things which exists, as far as Australia is concerned, as far as Canada is concerned, and probably New Zealand also, that there are certain treaties which have been long in existence, negotiated long before the Dominions had reached the position in which they are now, and which were negotiated at the time simply from the point of view of Great Britain, and Great Britain alone, and which yet affected all her Possessions. In recent years—I had occasion to refer to that yesterday—the British Government, whenever negotiating treaties, has always been careful not to apply those treaties to the self-governing Dominions, except upon their own volition and assent. If those treaties which Australia finds in its way to-day had not been negotiated years ago and were to be negotiated at this moment, Australia would not be included in those treaties except upon the assent and volition of Australia. We are face to face, therefore, with this position, the old treaties we find are an obstacle to Australia to-day. We may find ourselves in Canada also in the face of similar treaties which in Canada might be an obstacle to our commercial development. Years ago the Government of Canada obtained from the Government of Great Britain the denunciation of two treaties, which were very obnoxious to the Dominion—the treaty with Germany and the treaty with Belgium. The British Government, on that occasion, denounced the treaties entirely. It may be difficult, I conceive to ask the British Government to denounce those treaties which are, as is represented to us, of advantage to the United Kingdom; but I had in my mind—in fact I discussed the question before I left Canada—to bring to the attention of the Conference and the British Government some method of dealing with such questions as this. As to those old treaties, which may be of advantage to the United Kingdom, no one here would think for a moment that the United Kingdom should not have the full benefit of those treaties. On the other hand when a Commonwealth like Australia finds a treaty of this kind not only an obstacle to its own commercial development but finds in it an obstacle to closer trade relations between Australia and the Mother Country, I would submit that perhaps it might be possible that the British Government should enter into negotiations with those nations with a view to exempting the effect of the treaties so far as the Dominion is concerned if the Dominion concerned were to asked for such an exemption. It would be done to-day if the treaty were to be negotiated, but as they are in effect, is it not possible to enter into negotiations by the British Government whereby they will not denounce the treaty but obtain from the contracting party the privilege for any of the Dominion Governments to be exempted from the operation of that treaty—for instance, in this case, Australia.

I do not know, as I said a moment ago, to what nations these treaties may apply, but suppose it is a treaty with Italy or with France, would it not be possible to obtain from the French Government or the Italian Government that they would agree to allow any of the Dominions to withdraw from the operation of such treaty? This would not go to the extent of debarring the United Kingdom of the advantages which they might derive from the treaty, but it would have the advantage of getting the Dominions withdrawn from its operations. It is likely enough that those treaties are of such advantage to the United Kingdom and to the other nations respectively that it would not be an interference with the rights or benefits derived by each of the other nations, and probably a matter of very little consequence.

Therefore I think the motion is one which is worthy of very careful consideration, and I had intended at some time or another to submit a resolution in this form

to the Conference, which perhaps I might read now so as to bring it to the attention of the Conference: That His Majesty's Government be requested to open negotiations with the several Foreign Governments having treaties which apply to the oversea Dominions with a view to securing liberty for any of these Dominions which may so desire to withdraw from the operation of the treaty without impairing the treaty as respects the rest of the Empire." I would not propose to move it to-day, but I place it to-day before the Conference so that it may be thought over.

If this resolution were passed it would have this effect of asking the Government of the United Kingdom to enter into negotiations with those respective nations with a view to securing to the Dominions the liberty of withdrawing from the operation of such treaties. If such a motion as this were accepted and if such a thing were to be carried out I do not know how far it would be acceptable to the Government of the United Kingdom, but if such a treaty could be negotiated it would have the effect of securing Australia against the obstacles which are now in its way and without impairing the advantages which the United Kingdom derives from such treaty.

Mr. FISHER: Would you like to move that?

Sir WILFRID LAURIER: Not to-day; I think I would like to give notice of it for consideration.

Mr. FISHER: It is better to get on with the business, is it not?

Sir JOSEPH WARD: I agree with the resolution moved by Mr. Fisher. I think it is advisable in the interests, both of the United Kingdom and of the British Dominions beyond the seas that efforts in favour of British manufactured goods and British shipping should be supported as far as is practicable. Now I recognise that in the business conducted with the oversea Dominions there are at least two countries which are paying enormous subsidies to steamers that are competing very strongly against the British manufacturer and against the British shipowner in the trade of the oversea Dominions, and I do not believe myself that it is possible under the existing conditions of those who are conducting the export trade from the United Kingdom in many cases to compete upon equal terms with those countries.

As a matter of fact, it is perfectly well known to many people who look into the question of the development of trade that in some instances it is cheaper to ship goods at an English port and to allow them to go on to a German port and bring them back again round the ordinary ports and thence out to Australia and New Zealand than it is to send them direct from England itself. That can only be done, in my opinion, as an outcome of this very valuable assistance which has been given, but, however it is done, it is that competition that is telling so much against, in my judgment at least, an equal opportunity for the men who are conducting the operations from this country to carry on successfully against their competitors who are helped in the matter of these subsidies. For that reason I think the general proposition here is that it is desirable both in the interests of the United Kingdom and of the British Dominions to have British manufactured goods carried in British bottoms, and it is very desirable that we, as a Conference, should affirm that principle and do all in our power to assist it.

As to the question of the treaties referred to both by Mr. Fisher and Sir Wilfrid Laurier, they open up a very important matter and we recognise that where there is a treaty existing between Great Britain and other countries it has to be respected, and so long as the treaty is in operation I know of no way in which you can, without a breach of agreement, have an alteration made excepting with the voluntary consent of the countries concerned.

I want to wait, before forming a definite decision myself, to hear Sir Wilfrid Laurier expound his proposition. I assume now, in dealing with this question of

treaty, that the proposition which would give the liberty of withdrawing from the treaties would enable any of the oversea Dominions to enter into a treaty, subject to the Foreign Office consenting, with any of those foreign countries to carry on trade under a direct treaty. I am not quite clear as to the advantage of the withdrawing from an existing treaty, and it is a point upon which I want to hear, when Sir Wilfrid Laurier is explaining his resolution, a little more before I commit myself as to whether it is a desirable thing to do.

Sir EDWARD MORRIS: May I interrupt you, Sir Joseph? I understood Sir Wilfrid Laurier, in reading that resolution, distinctly to state "if they desire."

Sir JOSEPH WARD: Yes, "if they desire"—I say that.

Mr. PEARCE: It only puts us into the same position with regard to the old treaties as with regard to the new.

Sir JOSEPH WARD: It must be quite voluntary. Of course I quite recognise that. I do not want to mix up this question of Europe generally with the proposal now before us, concerning which I sent a notice of motion earlier in the year for the consideration of the Conference. In our country we hold a very strong opinion upon this question of our inability to have our own ships protected against extraordinary conditions in the shape of low rates of pay and excesssive competition against the legitimate enterprise conducted by vessels manned by British men receiving rates of pay under the arbitration awards in our country who are supporting their wives and families under reasonable conditions ashore, and who to-day are likely to suffer tremendously as the outcome of the very difficult problem in connection with the importation of British subjects of a different colour to our own who are largely manning some of the British ships trading to our countries. I want to take an opportunity of saying here that the matter is regarded as very serious in our country, that as far as we are concerned everything in our power legitimately which we can do we intend to do to prevent it. As a matter of fact I am cognisant, with regard to one of those shipping companies, of the great services it has rendered to this country and I would not presume for a moment to say a word against a particular shipping company. I recognize that they are employing British subjects of a different Colony, some of them, to ours, and that they are conforming to the law of Great Britain and are doing exactly what they are entitled to do, but it is when the extension of their sea voyages from the Old Country to Australia and on to New Zealand takes place, picking up a larger amount of local traffic as they do, that they will commence to make a very serious inroad upon other institutions manned entirely by white British subjects and receiving as I say good pay. It is then that the whole community in our country realizes that they stand a chance of having great institutions there that have taken a lifetime to build up practically smashed to pieces unless they reduce the rates of pay to the officers, engineers, and men on board these steamers to an amount that a white man cannot support his wife and family upon. So that we are up against a very serious proposition in connection with the important matter of supporting British manufacturers and British ships, because it is undeniable that the ships I refer to are British. They may certainly have very good reasons for the way in which they conduct their business, concerning which I am not in any way interfering, but it is the danger to our ships manned by white men of competition against coloured seamen and firemen employed at low rates of pay that I speak of.

As to this matter of helping British manufactured goods and British shipping, we are doing it now, as far as New Zealand is concerned, to the extent of over half a million a year. We go on the line of helping the British manufacturer and the British shipowner against the competition which is due to the large subsidies to

which I have just referred by protecting them to an extent on British goods, which represented in 1909 the amount of 504,845*l.*

Mr. PEARCE: You say that you protect the shipowners. How do you do it?

Sir JOSEPH WARD: We protect British goods.

Mr. PEARCE: You also said the shipowner.

Sir JOSEPH WARD: I beg pardon if I did; it is British goods that we protect. In other words, had we not the system in operation which is intended to help the British merchant as against the foreign competitor for our trade, we would have collected 1,073,000*l.* of duty from the British merchant, whereas we collected 504,000*l.* Now that is the only way in which we can help the British merchant against competitors who are carrying on their business, as I say, with steamers which are subsidized very heavily indeed. We confine our trade, as far as we can, to British merchants, and I think in turn they ought, as far as it is possible for them to do so, to see that their goods are shipped in British ships. That part of the responsibility devolves upon them and it is one upon which they can help very much.

It probably would be more convenient if the discussion of the shipping laws was left until a later period. I only want to say now, as far as I am concerned, that I am not only anxious, but I intend, as far as it lies in my power, in every way I can to support the British merchant, and also to support the British shipping as far as it is possible in carrying that trade between the Old Country and New Zealand.

Dr. FINDLAY: May I make a suggestion at this stage? I do not want to discuss the matter, but it seems to me that we will be involved in a double, if not a treble discussion, on the same matter. We are discussing now this item No. 2 on the Agenda Paper. Sir Wilfrid Laurier is going to propose a matter which either is very closely related, if not mutually involved, in the subject matter of Australia's proposal, and New Zealand has one equally closely related in connection with crews and navigation laws. Could not these be collated and discussed at the same time?

The CHAIRMAN: I would suggest that the matter of the Lascars should be dealt with on the day which is put down for the treatment of British Indians, when the Secretary of State for India will be here to deal with it especially from the Imperial and Indian point of view. That has been provisionally put on the agenda for Monday the 19th.

Dr. FINDLAY: Sir Wilfrid Laurier's proposal is very closely related to the one which Mr. Pearce has put.

Sir D. DE VILLIERS GRAAFF: South Africa has also a suggestion in connection with shipping which will have to be discussed.

Mr. BUXTON: That is down for Friday, I think.

Sir D. DE VILLIERS GRAAFF: That is very closely allied with the discussion which has gone on this morning.

The CHAIRMAN: That is down for Friday, 16th June: "Concerted action for the promotion of trade and encouragement of British commerce."

Sir D. DE VILLIERS GRAAFF: Yes, it appears to me it all affects the same subject.

The CHAIRMAN: If the Conference would like to postpone the discussion until we reach those items, we could proceed with any further resolution that is on the agenda for to-day.

Mr. FISHER: We will accept that resolution of Sir Wilfrid's as covering this point. I think we might dispose of that. We all seem to be in agreement. The draft motion read by Sir Wilfrid I think meets our views, and we will withdraw ours and pass that one without comment if necessary.

Dr. FINDLAY: Would it not be better to withdraw yours and for Sir Wilfrid to give us notice, so as to give us time to consider his?

Mr. FISHER: It seems so simple.

The CHAIRMAN: I am afraid we must ask for time to consider the motion.

Sir WILFRID LAURIER: The motion is one which, I am very glad to see, commends itself to the view of the Conference, but it is laying a duty on the Imperial Government, and perhaps they would want to consider it. I think it is a reasonable resolution, but I would not press it upon you to-day.

Mr. FISHER: Would you please read it again?

Mr. BUXTON: I will read it: 'That His Majesty's Government be requested to open negotiations with the several Foreign Governments having treaties which apply to the overseas Dominions with a view to securing liberty for any of these Dominions which may so desire to withdraw from the operation of the treaty without impairing the treaty as respects the rest of the Empire.' As regards the general principle I feel confident that the Secretary of State, in whose department it comes rather than my own, would be in favour of the resolution. But I think the members of the Conference will feel that I ought not to commit him or myself until we have had an opportunity of considering it. May I say that, as a matter of fact, the Foreign Office since the last Conference have been in communication with several of the Governments concerned with a view to doing what Sir Wilfrid Laurier has desired, and which, as he knows quite well, and as he has pointed out, is already done when any new treaties are negotiated. So that our sympathy at all events is there, but before accepting the resolution I feel sure that you would like Sir E. Grey to have the opportunity, as I think I should like myself to have the opportunity, of considering the terms.

May I add with regard to this resolution that, as far as the wording of it is concerned, I have no objection to it. Mr. Pearce raised a particular point, and he gave the reasons for that particular point being accepted. I thought it well on behalf of the Board of Trade to give the reasons to the Conference why we were unable to agree with the Commonwealth Government upon that particular point. As regards the general principle, I do not think there is any difference between us.

Sir D. DE VILLIERS GRAAFF: I was going to say that the resolution under discussion does not say anything about treaties at all. It is true that as the argument has been used in connection with this resolution there seemed to be treaty obligations which interfered with the passage of a certain Bill, but the resolution as to British manufactured goods and British shipping should be supported as far as practicable. There are two other matters appertaining to the same subject of shipping and British manufactured goods. I think it would be advisable if we could discuss those two questions together. It would save a lot of time because they are all appertaining to the same subject. If that is agreed, we could fix one day for the discussion of the three resolutions together outside the treaties resolution. I believe, myself, that the treaties resolution will find favour here, but for the moment it really has nothing to do with shipping or British manufactured goods. It is altogether a different question.

Sir WILFRID LAURIER: Australia by passing such a resolution would not be more advanced than it is at the present time, because there is a treaty against it. We are told: "We cannot help you because there is a treaty against this." That is a question which has to be discussed and removed at the present moment.

Sir D. DE VILLIERS GRAAFF: When it comes to the question of assisting British manufactured goods and British bottoms we have something to say upon that which would probably alter the complexion of the treaty arrangements when you have heard what we have to say upon it.

The CHAIRMAN: If it is agreeable to the Conference shall we postpone the further discussion of Resolution 2, and I suppose Resolution 3 as to navigation law?

Mr. FISHER: That has nothing to do with No. 2.

The CHAIRMAN: Will Mr. Fisher go on with No. 3?

The CHAIRMAN: We will adjourn Resolution 2 until Friday the 16th.

Sir D. DE VILLIERS GRAAFF: You are not pressing your motion to-day, Mr Fisher?

Mr. FISHER: No.

The CHAIRMAN: Will Mr. Fisher go on with No. 3?

Mr. FISHER: I only formally move No. 3 and ask Mr. Pearce to speak upon it.

3. Navigation Law.

"That it is desirable that the attention of the Governments of the United Kingdom and of the Colonies should be called to the present state of the navigation laws in the Empire and in other countries, with a view to secure uniformity of treatment to British shipping; to prevent unfair competition with British ships by foreign subsidised ships; to secure to British ships equal trading advantages with foreign ships; to secure the employment of British seamen on British ships; and to arise the status and improve the conditions of seamen employed on such ships."

Mr. PEARCE: The reason why we do not require No. 3 discussed with the other questions is just this, that the whole question of navigation law as it affects the Dominions and the United Kingdom requires to be discussed apart from the question as to the object you are aiming at in your navigation law. In the other resolution you are dealing with what you are endeavouring to do. As I think every member of the Conference knows, whenever a Dominion proposes to pass a navigation law it finds itself reminded by the Board of Trade of the existence of the Merchant Shipping Act, and the Board of Trade have pressed, and still press, on the consideration of the Dominion Governments the view which I think no Dominion Government so far has assented to, that the Merchant Shipping Act overrides the Dominion legislation even in territorial waters of the Dominion itself. The law officers advising the Board of Trade and the law officers of the Commonwealth are in direct conflict as to the power conferred on us by our Constitution and the power which the United Kingdom has, and, which it has expressed in the Merchant Shipping Act. The Board of Trade has in the course of a long correspondence with the Commonwealth Government pressed this view with regard to the details of the Bill which has been before the Commonwealth Parliament for some time.

The first suggestion we have to make with regard to this resolution, which, although it deals with a certain amount of detail, really expresses the desire and wish of the Dominions to pass legislation dealing with navigation for these purposes, is that all the Dominions should be put on an equal footing in this respect; that as I believe Canada, and I know New Zealand, has passed a Navigation Bill, in the case of New Zealand a Navigation Bill in which the provisions are similar to those in our Bill, provisions which have been challenged by the Board of Trade, but as the Bill of the New Zealand Government has been passed and assented to and become an Act for the Dominion——

Dr. FINDLAY: What Act are you referring to?

Mr. PEARCE: Your two navigation Acts—your main Act and your amending Bill.

Dr. FINDLAY: The last one is not assented to yet.

Sir JOSEPH WARD: It is, provisionally with the alteration of one clause The 1907 one was reserved for 18 months.

Mr. PEARCE: But it was assented to?

Sir JOSEPH WARD: It was assented to. The 1909 one was reserved for two years.

Mr. PEARCE: That is the one I am referring to; but what I want to say is this, that I think it is time we had a clear understanding as to how this matter is to be dealt with as between the United Kingdom and the Dominions. It seems to me that if we are to get uniformity in reorganising the self-governing powers of the Dominions, it is only right that each Government should be placed in this position, that it should be allowed to express its will by the passing of an Act, and that Act should be assented to as a recognition of the power of the Dominion to deal with that subject.

Dr. FINDLAY: What subject?

Mr. PEARCE: Navigation; I am dealing with navigation. That having been done, that recognition of the power of the Dominion to deal with the subject having been given, then it seems to me the time comes when the United Kingdom should press its view as to the desirability of securing uniformity; but in the case of the Commonwealth—I do not know what the experience of the other Dominions concerned has been—the United Kingdom has taken up the attitude of bringing pressure to bear upon us in the course of the drafting of the Bill, and in the passage of that Bill through Parliament, and we put the view, with all respect, that that is an undesirable course, and it is one which infringes on the legislative power of the Dominion. As our Bill will be one of the measures in the forthcoming session, we desire to put the view before this Conference, and we anticipate we should have the full support of other Dominions in pressing the view upon the Government of the United Kingdom that Uniformity, or any action to secure uniformity, should be taken subsequent to the Dominion passing its legislation, and not prior to and during the course of the passing of that legislation, by a memorandum sent forward by the Board of Trade.

Then, if that point is conceded by the Government of the United Kingdom, we find ourselves in this position. We are desirous, and I am sure the other Dominions also are desirous, that under our legislation we shall not put the British shipowner at a disadvantage as compared with the foreign shipowner. We do not desire by our legislation to do that, but we must in justice to our own shipowners see that they are not put in an unfair position as regards the British shipowner. Therefore, in any

proposal the United Kingdom is to make with regard to securing uniformity, we ask that that position should be remembered, that our legislation is aimed at first of all securing fair conditions for our shipping trade in our own waters; and secondly, fair competition between British shipowners and foreign shipowners, and there we come up against the treaty question again—these questions are linked up in a sense—and it constitutes another reason why the action indicated by Sir Wilfrid Laurier should be taken, in order that on these shipping questions we should have the power to deal with British shipowners in a spirit of fair play as regard foreigners.

While this resolution is specific in certain directions, the underlying proposition we have to make to the Conference is that first of all the right of the Dominions to legislate in these matters should not be challenged or questioned and that we should be given a free hand first of all to place on the Statute Book our view as to the dealing with this subject, and then that the action to bring about uniformity should be subsequent to the Dominion's legislation being assented to by His Majesty's Government.

The CHAIRMAN: Mr. Buxton will deal generally, in fact altogether, with the question of navigation and shipping, but may I say on the point which has been raised by Mr. Pearce, that I am quite sure that the early communications that have been made to the Dominions by the Colonial Office, where it is necessary ultimately to obtain uniformity of legislation, have been made to the Dominions entirely for their own advantage, from the impression at home that it would be to their advantage to know these views at the earliest possible moment rather than that they should pass a law which had ultimately to be reserved and possibly vetoed by the Imperial authority here. The early communication is in order that the Act as passed in the Dominion shall as nearly as possible correspond with the shape which it is believed it must ultimately take, and that priority of communication has been out of consideration for the feelings and convenience of the Dominions themselves.

Mr. BUXTON: Perhaps that point is, to a certain extent, rather more one for the Colonial Office than the Board of Trade, but as Mr. Pearce has mentioned the Board of Trade communications, I can assure him that in this matter there is no intention of interfering with any constitutional rights which the various Dominions may possess. On the other hand there are certain constitutional positions which the Home Government are bound to take up in reference to those matters of shipping and other questions of that sort. As far as the official communications are concerned, they are always of a confidential nature. As far as we are aware, they are kept confidential, that is to say, they are not brought out into the public purview as far as we are concerned with any object of bringing pressure, as Mr. Pearce seemed to imply, I think, to bear on the Dominion Government, with a view to altering their view or bringing pressure to bear in connection with a Bill they might have before them. There is certainly no such intention, and as far as we are concerned our communications are intended to be direct through the Governor to the Ministers and not to the public concerned. I think Mr. Pearce should remember that in those matters, especially the ones to which he has referred, there are also great interests concerned which are not simply the interests of the Dominion or the Commonwealth, whichever Dominion it may be. And as regards the shipping trade here, we are bound to consider and to make representations to the Government in reference to a trade which represents about 87 per cent. of the whole compared with the small percentage of any of the particular Dominions. I want to emphasise what Mr. Harcourt has said in reference to this matter that the desire in making those communications to the Governments concerned is that we should arrive at an amicable decision if possible beforehand, with a view to uniformity and to a workable Act, rather than after the Act is passed, when it becomes obviously, I think, much more difficult for either side to come to a satisfactory arrangement. It is really with a

view, as the Colonial Secretary has said, to arriving at an amicable agreement beforehand that these communications are made, and I am bound to say that I think it would be inexpedient, as far as we can judge, if these communications were not made beforehand rather than afterwards. They are always made in a friendly spirit with a view if possible to avoid friction and to arrive at a satisfactory conclusion. Whenever we have to make communications with foreign governments with regard to these matters, the communications are made beforehand rather than after.

I am willing to accept this resolution on behalf of His Majesty's Government, subject to the suggestion which I made to Mr. Fisher, which is this.—I do not think we could agree to the words: "The present state of the navigation laws in the Empire," as we ourselves here have no navigation laws; it is opposed, as the Conference knows, to our whole policy to have them, and it looks a little as if it was intended, if we accepted these words as they stand, that we should be committed to an expression of opinion that we should have navigation laws here as well as in other parts of the Dominion. I suggest to him the words: "That it is desirable that the attention of the Governments of the United Kingdom and of the Colonies should be called to the desirability of taking all practical steps to secure"—that is really the object he has in view—and instead of "to secure"—"to promote" (it is merely verbal) "the employment of British seamen.'

I should like, with the permission of the Conference, to read a memorandum, not a very long one, in reference to the attitude or rather the action we have taken on the various points raised in the resolution. I should like to have it on record that in these matters we at the Board of Trade and His Majesty's Government have not been remiss in our action with regard to them. As a matter of fact, Mr. Pearce has not actually raised the point, but looking to the fact that this resolution is going to be accepted, I should like to have it on record what action we have taken.

Mr. FISHER: We do not know what it is.

Mr. BUXTON: It is in reference to the motion of the Commonwealth Government, which is to this effect—I need not read it again—but the points that they make are that we should adopt this proposal in order (1) To secure uniformity of treatment to British shipping; (2) To prevent unfair competition with British ships by foreign subsidised ships; (3) To secure to British ships equal trading advantages with foreign ships; (4) To secure the employment of British seamen on British ships; and (5) To raise the status and improve the condition of seamen employed on such ships. To all these points we agree in principle. (1) Uniformity of Treatment to British Shipping.—Uniformity in the safety regulations is one of the most important matters in which uniformity of treatment to shipping is desirable. Uniformity in the safety regulations enforced in the different parts of the Empire is one of the main objects of the Board of Trade, and whenever any proposed Colonial legislation is submitted to the Board, it is considered by reference to the Imperial Merchant Shipping Acts in so far as the latter deal with the subject matter under reference, and the legislating authority is advised to frame the legislation in accordance with the principles of the Imperial Acts. In so far as this is done, the safety regulations, or at least those of them which affect oversea vessels, will become uniform in essentials, and the object aimed at will be attained. (2) The passing of the Imperial Merchant Shipping Act of 1906 has had a very remarkable effect in bringing foreign safety regulations into harmony with those in force in the United Kingdom. The Act enforced on foreign ships trading to the Kingdom the safety regulations applicable to British ships, but made provision for the exemption of such vessels as had complied with the regulations in force in their own country, provided these were equivalent to the British regulations. The result has been that a large number of foreign countries have revised their safety regulations or adopted new regulations with a view to securing exemption for their ships in the United Kingdom.

and the regulations as to load line, life-saving appliances, and survey of passenger steamers in many countries are now regarded as equivalent to those in force in the United Kingdom. In few of these countries is any serious attempt made to enforce safety regulations on non-national ships, but where such an attempt is made the exception of British ships is insisted on as a condition of exempting the foreign ships in the United Kingdom. In so far, therefore, as Colonial and foreign safety regulations are assimilated to those in force in the United Kingdom, international uniformity is attained as regards these regulations. (3) Uniformity of treatment of British vessels in different foreign countries need not be discussed in detail, for in so far as foreign regulatons are assimilated to British regulations (a process which is now going on) they are assimilated to each other. (4) As regards uniformity of treatment as between the various sections of British ships it may be presumed that to the foreigner all vessels sailing under the British Flag are British ships, and that there is no likelihood of any foreign authority making a distinction (so far as the enforcement of safety regulations is concerned) between, say, vessels registered in the United Kingdom and those registered in Australia. Similarly the Imperial Merchant Shipping Acts do not distinguish, so far as the safety requirements are concerned, between United Kingdom and Colonial vessels, but deal with them all alike if they come to the United Kingdom. Provision is however made for the recognition of Colonial passenger certificates and load-line certificates if issued after a satisfactory survey and in accordance with satisfactory regulations (sections 284 and 444 of the Merchant Shipping Act, 1894) and a number of Colonies have received recognition in this way. This arrangement is directly advantageous to Colonial ships visiting the United Kingdom and encourages the Colonial Government to frame their legislation and regulation in harmony with those of the United Kingdom. (5) So far as is known, no complaint has been made of the enforcement in any foreign port, of more stringent safety regulations on British than on foreign ships. In ports of the United Kingdom, British and Foreign ships must now, in accordance with the Merchant Shipping Act, 1906, comply with the same regulations. Prior to the passing of the Merchant Shipping Act, 1906, one or two of the Dominions expressed a grievance that their ships if they came to the United Kingdom were compelled to comply with the Merchant Shipping Acts, while foreign ships were allowed to go free, but all grounds for this complaint have now been received. It has been suggested to the Dominion Governments that they should initiate similar legislation so that throughout the British Empire, the foreign ship shall not be allowed to compete unfairly with British vessels. So far as can be seen therefore the ideal of uniformity has been to a considerable extent attained, and further steps towards it are being taken. The Board of Trade will not relax their efforts in this direction, and it is to be hoped that the cordial co-operation of the Colonies will be obtained for such a very desirable end.

As to foreign subsidised ships, I have already said something about them and they will be discussed on the other motion. But as a matter of fact it is in the ordinary course against the policy of His Majesty's Government to subsidise British shipping, except under particular conditions, because they believe they can hold their own without such subsidies.

As to equal trading advantages for British shipping, it is difficult to deal with this part of the resolution without knowing more definitely what is in the mind of the Australian Government. The Imperial Government are naturally desirous of obtaining equality of opportunity for British ships, and this object is, of course, borne in mind whenever general negotiations are in progress with any particular country.

As to the last two points, British seamen on British ships and conditions of employment on such ships, the principle underlying much of the most recent merchant shipping legislation of the Imperial Parliament has been that the former object (that is the employment of British seamen on British ships) can be best attained by pursuing the method indicated in the latter. The Merchant Shipping Act, 1906, was

intended to improve the conditons of merchant seamen generally by establishing a proper dietary scale for seamen and providing for the proper cooking of their food, by requiring enlarged and improved accommodation for seamen in British ships by making further provision for repatriation and medical treatment, and by various other means. Further, the adoption of a language test was a measure likely to encourage the employment of British seamen; and it was believed that it was calculated to, and would tend to increase the proportion of British seamen employed in British ships. The figures showing the number of British and foreign seamen employed in the British Mercantile Marine during the last few years confirm this view. I have already given the figures in reference to the matter, which show a distinct tendency in the right direction. It may be added that New Zealand has followed this Act very considerably in recent legislation doubtless with the same object in view, and the Australian Navigation Bill now before the Commonwealth Parliament is based on similar lines. As regards the improvement of conditions in the mercantile marine, there are some points on which it would probably not be possible to arrive at actual uniformity with Australia and New Zealand. For instance, there is no statutory fixed rate of wages, &c., in the mercantile marine here, because as a rule they are matters of settlement between the owners and masters and seamen.

I have shortly put before the Conference the points we have taken up since the last Conference meeting, and I hope it is not an unsatisfactory record of the activities of the Board of Trade, and we are only too glad in all these matters as far as we can to act in conformity and in conjunction with the representatives of the Dominions.

Mr. BRODEUR: I have not got much to say on the motion which has been made by Mr. Pearce and by Mr. Fisher, and which is agreeable in its provisions I think perhaps it would be better to postpone the adoption of this resolution until we have considered the one of which notice has been given by New Zealand as to some of the laws of navigation and shipping. In the meantime, however, you will perhaps allow me to bring to the attention of the Conference the situation in which the Governments are concerning their navigation laws.

We were formerly under the provisions of the Merchant Shipping Act, 1854. Later on, as far as Canada is concerned, in 1867, by the British North America Act, we were given the power to legislate with regard to navigation and shipping. The provisions of the Imperial Merchant Shipping Act of 1854 were applying, of course, to Canada. However, we proceeded to make some provisions in our own legislation. Sometimes those provisions were passed with the consent of His Majesty in Council; sometimes also some amendments were made without the matter being referred to the Imperial Government. Our legislation is in a sort of chaos, especially since the revision of the Imperial Merchant Shipping Act by the Act of 1894. In 1894 you have virtually incorporated in legislation the same provisions as the ones which existed before under the Act of 1854, so much so that by the different amendments that were being made from 1867 to 1894, amendments were concurred in by the Imperial Government, and we find to-day that this legislation has been overridden by the provisions of the Act of 1894. That means to say that legislation which has been concurred in by the Imperial Government from 1867 to 1894 is now absolutely null on account of the provisions of the Act of 1894.

That puts us in a very awkward situation. I may quote a case which I have in my mind now with regard to the liability in the case of collisions. We have embodied in our statute the provisions of the Act of 1854. Later, by the Act of 1894, this provision has been changed with regard to collisions, and now the provisions of the Act of 1894 are overriding the provisions of our own Act which had been simply a copy of the Imperial Merchant Shipping Act.

I did not know this question would come up this morning because I thought it might come up more in the discussion of the Merchant Shipping Act as embodied

in the resolution proposed made by New Zealand. But I think in those cases the Imperial Merchant Shipping Act should be amended in such a way that the Dominions should be given absolute power to deal with the question. In the cases where the Governments have not dealt with the question the Imperial Merchant Shipping Act might apply. Instead of declaring, as it has been declared in several of the provisions of the Merchant Shipping Act, that it will apply to the Dominions, it might be stated that the Imperial Merchant Shipping Act should apply in cases where no legislation has been passed by the Dominions, but where legislation has been passed by the Dominions I think that legislation should be considered as being absolutely of force and effect.

Sir JOSEPH WARD: I prefer to wait, as has been suggested by Mr. Brodeur, until we come to the motion dealing with the shipping, but I would like to say on the point referred to by Mr. Pearce as to pressure being brought to bear on the oversea Governments, that that is not the experience of New Zealand. In fact, I think there must be a misapprehension, because we have worked together at the Navigation Conference with a view to assimilating our shipping laws, and our practice in New Zealand is to send an outline to the Home authorities of any new law on the subject that we contemplate submitting to Parliament, for it desirable upon points upon which the Imperial Merchant Shipping Act would be in conflict with what we are doing that we should know beforehand in what direction the British authorities can assent to our legislation. I want to make it quite clear that we do not accept the kind of intimation conveyed by them as any direction to us that we should not submit legislation on any lines we think proper, but we are, all the same, very glad to know where the conflict may arise, and in what direction we may, as far as it is possible for us to do so, avoid the conflict.

I hold very strongly the view that we should have wider powers than exist at present in dealing with the important proposal that is submitted by Mr. Fisher and spoken to by Mr. Pearce. We have in our country to deal with the condition of the men who are on board our ships under a system that suits our requirements very well indeed. Unlike the officers and men on board British ships, under our system of settling their rates of wages, the salaries, the ordinary rates of pay and the conditions under which they work, are very different in many respects from what they are in the Old Country, and we require to have a broadening of the law to enable us to meet the requirements of our own people under the special circumstances in which we find ourselves

We require to have a uniformity of law if we can get it, but I certainly think we require to have more power and not so much difficulty in obtaining assent to such measures as we seek now which meet the special requirements of our country. As to the delays and the difficulty of obtaining the assent, I am not saying that those delays that took place were not warranted on account of the position of the Imperial Merchant Shipping Act and what was required here, but in the legislation we passed dealing with the matter in 1903, eighteen months elapsed before it was assented to, and the amending Act which we passed in 1909 (I am not dealing with the Act passed last year dealing with Lascars) has received a conditional assent only, subject to legislation regarding a clause in it; in reality it is not law yet, but, subject to a reservation as to the alteration of one clause of that Bill, the rest of it is agreed to. But I want to point out the difficulty that arises in a country like ours where we have to wait such a long time, eighteen months in one instance and nearly two years in the second one, to enable the desires and requirements of our own people to be put into statute law so as to enable our shipping operations to be carried on successfully in New Zealand, and I think there does want to be a broadening of the law to enable more powers to be given to us. We are in a very much better position as far as New Zealand is concerned to judge what suits our own people and to decide

what legislation is necessary than the Imperial Government can be so far as the oversea Dominions are concerned. I am not raising at the present moment the issue of the employment of Lascars in steamers; that comes under a separate heading, and can be dealt with more conveniently later on. The matters we think we ought to have absolute power with respect to and as to which there should be no difficulty about obtaining assent to our proposals are on the question of the wages of seamen, the manning of ships trading from the Dominion to the neighbouring Dominions—that is a very important point, and I daresay Australia concurs in it.

We want to have complete power over the manning of ships trading between our country and the oversea Dominions. It may be far reaching in its effect, but we want it because the conditions of life out in our country are so different to what they are in other portions of the British Empire where coloured people are employed, that it means practically life or death to great local institutions with very large capital in them, with a large number of people employed and a large number of dependents living on shore. We want to have the power of fixing the regulation of accommodation for seamen and the survey of ships and their life-saving appliances. The Board of Trade has done splendid work in that matter as far as my observation has gone, and I have watched it very closely from time to time, and they are doing good work, in my opinion, in connection with this very important matter that we are dealing with now, but in the proposal submitted by Australia directing the attention of the Government of the United Kingdom to various matters, I am merely indicating what it is that we feel it is essential we ought to have the undoubted right to do, namely, that which we believe to be the best in the interests of safety and the interests of the accommodation, both of passengers and seamen, and generally connected with the vessels trading from our country and especially between the Dominions, which is very important from our standpoint.

Then we meant to have the fixing of the load line and the regulation of the form and stipulations in bills of lading as to cargoes shipped from the Dominion, and we want to have the regulation with regard to proposals for the employment of Asiatics. We know that raises an important question which comes probably under the heading of emigration, which may be dealt with later on. The matter, however, is one of very great importance so far as we are concerned, and at this Conference I should like very much before we have concluded if we could be able to affirm some way in which this very troublesome question of the Asiatic could be met in a dignified way as far as the Asiatics themselves are concerned. They are entitled to consideration; they are proud people and have the right to be considered in many ways. I believe we ought in a friendly way to pass some resolution at this Conference before we rise expressing our opinion as to how this great and important question may upon high lines be dealt with in the interests both of the Asiatics and of the Britishers.

I am not insensible to the fact that there are many difficulties standing in the way of a great Empire such as this in governing shipping, permeating as it does the wide world, and dealing with the people who are required for the various trades on account of climatic conditions and others to man them. At the same time, while recognizing all that, we want to see our own country protected in the fullest way possible from the inroad of a system which I believe would eventually break down the shipping in our country altogether. I look on the matter as of such importance that at the proper time later on I will probably take a little more time in explaining what I think we ought to do, putting my views on record, even though I should happen to be the only one taking the particular view.

General BOTHA: I have nothing to say at present.

Sir D. DE VILLIERES GRAAFF: I understand this is coming up again?

The CHAIRMAN: Yes.

Sir EDWARD MORRIS: I should like to know, when it is coming up, if we could have a statement of the percentage of British as compared with foreign shipping?

Mr. BUXTON: I will circulate some figures. You mean the figures* I was quoting in the early part of the forenoon?

Sir EDWARD MORRIS: Yes, the British as compared with the world in percentage. I understand we have something like one-sixth of it.

Mr. BUXTON: I will give some figures which will be of use to the Conference.

Sir EDWARD MORRIS: Also, I would like to be shown the total value of imports last year and the total value of exports from the United Kingdom, and as to whether the unhampered condition of our navigation laws at present has to some extent brought about a favourable result.

Mr. PEARCE: Before we adjourn, some exception was taken to a statement I made that pressure was brought to bear upon the Commonwealth Government. I am just going to give one instance.

Mr. FISHER: Of many.

Mr. PEARCE: Of several, which I think do go beyond the region of suggestions coming from the Board of Trade. The Board of Trade picked out one clause of a Bill and they started off dealing with it by saying that this was the most important principle which could be dealt with in a Bill——

Mr. BUXTON: Which Bill are you speaking of?

Mr. PEARCE: The Navigation Bill, clause 185. It is at pages 10 and 11 of our own Parliamentary Paper which we circulated in which we set out a memorandum of what had passed between the Board of Trade and ourselves. They urged us not to take the course that the clause proposed to do. On the 28th October, 1908, the Deakin Government cabled back as follows: "Clause 185" (which was the clause challenged by the Board of Trade) "has been law in New South Wales and Victoria for many years." That is to say two of the States had been given the power to make this law, which was challenged by the Board of Trade, years before, and it had been in actual operation for many years without complaint or entailing the suggested inconvenience or expense. On the 27th November, 1908, the Secretary of State cabled in reply as follows: "With reference to your telegram of 28th October the Board of Trade are most anxious to know from your Government as soon as possible if your Ministers consider it essential to insist on extending compulsory survey to all vessels; they earnestly trust that your Act will be administered in the same spirit as the New South Wales and Victoria Acts." It seemed to us that that was the most peculiar language to use. It implied first of all that although the States could be trusted with these powers we could not be trusted with them, and that it needed some undertaking from us that we would administer them in the same spirit as the States had done.

The CHAIRMAN: I was not the Secretary of State then, but in effect it was giving way to the view of the Commonwealth.

Mr. PEARCE: They were challenging us in legislating in the direction the States had been allowed to legislate in without challenge, although by our constitution we were given the powers which formerly rested in the States, and then they were requiring, if they consented to our legislation, that we would give an undertaking with regard to it.

---

*See Volume of papers [Cd. 5746—1.]

Mr. BUXTON: There are just two points, one which Mr. Brodeur raised, as I understood him, that the Merchant Shipping Act of 1894 practically overrode a certain amount of Dominion legislation and that under that Act they were prohibited from doing certain things, or that certain Acts had been invalidated in consequence of this Act. I can assure him that that is really not so. I am informed that the 1894 Act was a Consolidation Act merely, and not only so but that it preserved the validity of all action taken between 1867 and 1894; so that I think Mr. Brodeur in this respect really has misread the Act, which was not intended in any sense to override the existing Dominion Act: on the contrary it was a Consolidation Act merely and actually preserved the validity of all that was being done. Perhaps Mr. Brodeur would not mind looking at that.

Mr. BRODEUR: Which section?

Mr. BUXTON: I will be glad to see you afterwards about it.

Mr. BRODEUR: I think it would have to come before his Majesty in Council to get approval of our Acts under the provisions of the Imperial Merchant Shipping Act, 1894.

Mr. BUXTON: Perhaps Mr. Brodeur would kindly have a talk with me about it afterwards with the Acts before us. As regards Sir Joseph Ward's point of the difficulty or the delay in obtaining assent to the 1909 Act, perhaps he would not mind looking at the correspondence and telegrams which passed, and I think he will see that although there was delay, it was not upon this side only. I think there was some delay on both sides.

Sir Joseph WARD: I am not blaming you.

Mr. BUXTON: I think it is a matter of regret that it should take so long, but I think really there was great delay on both sides. As regards the point he raised about Lascars, and so on, and the coasting trade, I think it would be more convenient if I did not give disjointed observations on that, because we are going to discuss it later on.

The CHAIRMAN: Do we now pass this resolution as altered? The resolution reads: "That it is desirable that the attention of the Governments of the United Kingdom and of the Dominions should be drawn to the desirability of taking all practical steps to secure uniformity of treatment to British shipping, to prevent unfair competition with British ships by foreign subsidised ships, to secure to British ships equal trading advantages with foreign ships, to promote the employment of British seamen on British ships, and to raise the status and improve the conditions of seamen employed on such ships.' Do you approve of that resolution being passed? [AGREED.] That is carried unanimously.

After a short adjournment.

DEATH OF MRS. BISHOP.

Mr. HARCOURT: I am sure it will be your wish that we should express to one who should have been our colleague at this table our heartfelt condolence. I will ask that there may be conveyed to Mr. Bishop, on behalf of the Conference, an expression of our deepest sympathy with him in the loss he has sustained.

LABOUR EXCHANGES AND EMIGRATION.

"That the Governments of the various Dominions should consider in concert with the Imperial Government the possibility and the best method of utilising the machinery of the national system of Labour Exchanges established in the United Kingdom by the Labour Exchanges Act, 1909, in connection with the notification of vacancies for employment and application of persons for employment as between the Dominions and the United Kingdom."

Mr. BUXTON: The resolution which I have to move is printed on the Paper, and perhaps I had better read it: 'To resolve that the Governments of the various Dominions should consider in concert with the Imperial Government the possibility and the best method of utilising the machinery of the national system of labour exchanges established in the United Kingdom by the Labour Exchanges Act, 1909, in connection with the notification of vacancies for employment and applications of persons for employment as between the Dominions and the United Kingdom.' If that is read in conjunction with another resolution, not printed on the Paper to-day, which is proposed by the Commonwealth of Australia, it asks: 'That the Imperial Government be requested to co-operate with any Colonies desiring emigrants in assisting suitable persons to emigrate.' When the Board of Trade system of labour exchanges was established in February, 1910, as a national market for labour, concerned solely with questions of industrial efficiency and entirely divorced from the relief of distress, it was realized that the question of its connection with emigration must sooner or later come to the front. From the first the exchanges have from time to time received applications for workpeople from employers in the Dominions, and have, after consultation with the Dominions' representatives in London, endeavoured to fill such vacancies so far as was found desirable and possible. Such action was however, necessarily spasmodic; and now that the labour exchanges number more than 200 and are filling at this moment between 12,000 and 13,000 vacancies each week (exclusive of persons placed in certain well-defined casual employments), it is thought that some more regular and efficient arrangement might be made to meet what are understood to be the wishes of the Dominions' Governments in the matter. Subject to any modifications which the Dominions' Governments may propose the following is a brief outline of the method which appears to the Board of Trade to be most practicable. It is suggested that employers in the Dominions should notify their requirements for labour to the Government of the Dominion or State concerned, which should in turn pass on such notifications as it thought suitable to its representative in London. The latter would then report the vacancies to the central office of labour exchanges, who would circulate them to the individual exchanges. In cases where suitable applicants were found, it is suggested that the Board of Trade might, subject to the Treasury's approval, make an advance of the necessary travelling expenses. These advances could, however, only be made provided that the Dominion or State Governments were willing to guarantee their repaymnt. It would, of course, still be open to employers in the Dominions to notify their wants direct to the labour exchanges. In such cases the orders would be dealt with in consultation with the representative of the Dominions' Government in London, but it would not be possible for the Board of Trade to make any advance under the circumstances for travelling expenses. It is thought that with this safeguard the oversea Governments would have at their disposal official machinery for assisting the migration of suitable people as vacancies offered for their employment, and would be at the same time in a position to ensure that any vacancies dealt with by the labour exchanges were of a nature properly to be filled from the United Kingdom. I would like to add to that just one

point upon which I think there is some misunderstanding. I think it is thought by some persons that our labour exchanges are only a continuation of the old distress committees which were started under the Unemployed Workmen's Act, in which undoubtedly much the larger number of those registered were really unemployable, and not, at all events, persons suitable for emigration. As far as the labour exchanges are concerned, at the very beginning we cut ourselves entirely apart from the question of distress committees, and I am glad to say the longer we have gone on—now nearly 1½ years—more and more have we got rid of the lowest class and the less useful class of labour, and I think we can safely say now that our labour exchanges do supply very good workmen indeed. As regards the building trade, for instance, last April out of 6,000 places filled, only 15·3 per cent of those were labourers; the others were skilled workmen. As regards the engineering and machine-making trade, only 11 per cent were labourers and 89 per cent were skilled workmen, so that so far as we are concerned I hope it may be clearly understood that as far as regards the bulk of those we have on our books who are available for employment, they are really of a suitable class both for home work here and for emigration.

Sir WILFRID LAURIER: I have for my part no information at all as to the working in Great Britain of the system of labour exchanges which have been established under the recent Act. I understand that it has worked satisfactorily. I am sorry to say we, in Canada, would not view with favour such a system of exchange as is here suggested in the resolution. The conditions of the labour market are very different in Canada and the Dominions beyond the seas—at all events, they are very different in Canada. This is a question which chiefly concerns labour, and with us the labour organizations have not viewed the system at all with any favour. I should say that whilst we have encouraged emigration from Great Britain to Canada we have really only one kind of immigration and that is agricultural immigration, for which the market is unlimited. Any man who leaves the British Islands and comes to Canada with the intention of going into agricultural pursuits, is sure of immediate employment, and is sure to find work as a farm labourer; and if he prefers an establishment still more advantageous to him he can immediately go upon public lands and have a homestead for himself, but when it comes to industrial pursuits he is very liable to disappointment unless he has work secured in advance.

Just before I left the Minister of Labour placed in my hands a memorial upon this question, in which he has summarized the objections which have been urged. It is too long to read, but I will summarise or indicate the salient points of the memorandum. He said: 'The Government policy has not looked to the direct promotion of immigration, whether from Great Britain or elsewhere, of those concerned in other industries'—having originally spoken of agricultural pursuits—'it being considered that the play of natural causes at a time when the resources and prosperity of Canada are receiving a world-wide publicity, may well suffice to secure an adequate response to the needs of employers of labour in this country.' Further on he says: 'No matter how carefully guarded, it would appear that any arrangement of the kind proposed would lead inevitably to much friction between employers and workmen in Canada, as well as create distrust in the minds of many in the Dominion as to the quality of labour which might be supplied under the proposed arrangement. Workmen sent out from England under Government auspices would, in all probability, if dissatisfied with the employment obtained, make of their dissatisfaction a grievance to be investigated by the Governments, whilst Canadian workmen would be certain to represent that they were being unduly discriminated against by the Governments concerned. Apart from the agencies indicated above, the bringing of labour from Great Britain to assured employment in Canada has been in the past entirely a matter of private initiative. The Canadian Manufacturers' Association opened an office in London, England, in 1907, for the purpose of securing skilled help for its members.

The experiment would appear not to have been wholly satisfactory and the office has been since closed.' 'It is also to be specially noted that the question of a system of interchange between labour exchanges in the Dominions and the labour exchange system of Great Britain has already been the subject of discussion by the labour organisations in the Dominion and that there are grounds for believing that any project of the kind would meet with unqualified opposition from this source." For those reasons chiefly my own view would be on the same lines, and I should have to say that the motion would not be met with any favour by the country I represent here.

Mr. FISHER: I will ask Mr. Batchelor to speak on behalf of the Commonwealth.

Mr. Batchelor: The position in Australia in regard to this matter is more like the position which Sir Wilfrid Laurier has just outlined as the position in Canada. As far as immigration is concerned the management is divided between the States Governments and the Federal Government. So far the Federal Government has confined itself to advertising with a view to obtaining immigrants; but the selection of men to be obtained which the exchanges propose to take in hand has been left entirely in the hands of the agencies of the States Governments—agencies controlled by the Agents-General of each State in London.

I communicated with the Agents-General and asked them to meet me in order to discuss the proposals a few days after I arrived here, and they were quite unanimous in their opposition to the view that they would gain any advantage in selection, or that the Colonies they represented would gain any advantage whatever, from this proposed extension of labour exchanges. They put forward a number of objections, some of which I have here, expressed at very great length. It might be possibly an advantage if we were to consider them in committee: but speaking generally, it is clearly evident that the present organisation of emigration activity in London and the United Kingdom meets with their entire approval, and they state that it is working very satisfactorily indeed, and they cannot see any advantage, and they see a certain number of disadvantages that could accrue from the adoption of these labour exchange proposals. They also, for the most part, confine themselves to the introduction of farm labourers, for which, as in Canada, there is an unlimited demand, and domestic servants. As far as artisans are concerned, there has been no difficulty in getting any number of artisans to emigrate to Australia; the difficulty has been farm labourers. They also state that their activities are chiefly directed to securing men who are already in employment rather than the unemployed; and therefore, though some of them express the view that many of the men you are registering on the exchanges would be exceedingly suitable, and they do utilise the information which is furnished by the exchanges in order to reach the men that they desire to emigrate, still they do not think, speaking generally, that the men who are unemployed are the men whom they wish first to encourage to emigrate.

I admit I do not know very much about the working of the exchanges here, and I should be glad to get some more information as to the working of these labour exchanges before expressing any very definite opinion as to what extent we could work in along with them. There are some very clear difficulties in the scheme as outlined, one of which is the great distance between Australia and the United Kingdom, and the time taken thereby in communicating the wants of the employers, which would have to be done in writing, and could hardly satisfactorily be done by cable, and the fact is that the time taken in communicating and in selection and then in despatching would probably amount to about six months in the case of Australia, and that would mean that the whole conditions of the labour market in any particular industry or any particular locality might have changed during that time. The opportunities, therefore, of its general use seem to be rather small and rather con-

fined. I think it would be a good thing if this matter were relagated to a sub-commitee who might go into it a little more closely, and we could then see if some of the difficulties which have been set out by the Agents-General could not be met.

Of course I wish it to be understood that we are exceedingly desirous of encouraging immigration, and there is no bar whatever to the introduction of immigrants, as you all know. As the Prime Minister mentions, poverty, or want of means, is no bar; but as to the extent to which we could utilise your labour exchanges, which I suppose are primarily labour bureaus for the registration of men who are out of employment with the view of obtaining employment——

Mr. BUXTON: Registration on the one hand of the men requiring work, and registration on the other hand of vacancies, and we put the two together.

Mr. BATCHELOR: That is what I understood. As I point out, our State Immigration Departments require that our agents in London shall select the men, and I think we would have very great difficulty in persuading our State Governments to part with that entire control and selection.

The CHAIRMAN: You mean in the case of assisted passages ?

Mr. BATCHELOR: That is in the case of assisted passages.

Mr. BUXTON: In this case there would be no question of taking it out of their hands; it would be done in conjunction with them. That is the idea.

Mr. BATCHELOR: The words used are "in concert."

Mr. BUXTON: Obviously we have no intention or desire of taking the control out of their hands. It is a question of the application coming from the employer through the Agent-General or High Commissioner, whoever it may be, and asking us if we can find a suitable man. That is all we propose to do.

Mr. BATCHELOR: The application coming from the employer in Australia ?

Mr. BUXTON: Yes, through the Government there.

Mr. BATCHELOR: Yes. One of the difficulties which the Agents-General see in that matter is the time which would necessarily elapse before men could be supplied, which would alter the whole conditions. As at present advised I do not see how it is going to work better than the schemes which are now adopted. The employers might communicate direct with the Agents-General of their Governments, and they might send it on to your body, and then they might select from the men registering suitable persons. They could do that now, and that is done. I do not quite see how any extension can be made.

With regard to the proposal that you should obtain from the Governments a guarantee of the cost of sending out men, and they should get a refund from the men themselves, we have found in practice that is an exceedingly difficult thing to do. What it would mean would be that the State Governments would have to make themselves responsible, and in our own experience they would be very unlikely to be recouped by the men sent out. Only an infinitesimal portion has been received in Australia of the amounts which have been expended to introduce men.

Mr. BUXTON: Of course, in a case in which they are selected by the representatives of the Governments here, they would be prepared to undertake that responsibility. Our only point is that His Majesty's Government are not prepared to spend money on emigration at this end, but as a matter of convenience where the Dominion Governments were prepared to repay the money we could advance it.

Mr. BATCHELOR: Quite so, but what it would mean in practice would be that the Governments would have to make up the amount.

Mr. BUXTON: If they wished—if there were an advance.

Mr. BATCHELOR: Yes.

The CHAIRMAN: Is it a fact that these amounts have been repaid badly?

Mr. BATCHELOR: Very badly indeed.

The CHAIRMAN: I understood from some of the Agents-General that on the whole they have been very well repaid.

Mr. BATCHELOR: No; the information I have received is that only an infinitesimal amount has been received. That is our experience generally.

Dr. FINDLAY: It is a debt of gratitude—not more.

Mr. BATCHELOR: I know Mr. Williamson, the Agent of the Central Unemployed Body said the amount they had expended in sending emigrants had been repaid extremely well, but that has not been our experience.

The CHAIRMAN: It was his information I was thinking of.

Mr. BATCHELOR: That has not been our experience. On the whole the proposal is not one which we can cordially support without more information.

Sir JOSEPH WARD: The object of this resolution, in my opinion, is a very laudable one, and I am disposed to think it ought not to be set aside upon the assumption that it is going to be injurious to the methods that exist in any of our countries. I see no reason whatever why we should not take into consideration, in concert with the Imperial Government, the possibility of utilizing the labour exchanges in the United Kingdom for the purposes indicated. I make that statement subject to the reservation that we have in New Zealand, and have had since 1894—17 years—a complete organization of labour exchanges from end to end of the country. There the employers, and the expectant employees, are kept in continuous touch all over the country, and we help to avoid anything in the shape of congestion either by arrivals from oversea or by people converging upon any point in New Zealand that would upset the local labour market, and it has worked admirably as far as we are concerned.

Now, one of the difficulties about the proportiton from the standpoint of New Zealand is that our immigration system is, perhaps, on a different basis to that of Canada or Australia, and we regulate it in an entirely different way, and we do so because we have thought it better to consider the absorbent power of our country beforehand of everyone coming to it as an immigrant rather than have an aggregation of labour brought in in large numbers from anywhere and so disturbing the local market, creating a glut, and, in turn, doing a certain amount of damage to our local workers. The difference between Canada and New Zealand is very great. In Canada they have large landed areas, by the possession of which, under their system, they are able to offer great inducements to individuals to the extent of 160 acres of land free. If I understand it aright, the Canadian system takes any number of people who choose to go to that country, and they allow them to find their way to places where there is occupation, and they go upon the principle that the larger the absorption of labour and the more they get the better it is for Canada, and they are able to absorb them without difficulty in their huge territory. I think, with the exception of the land system in Australia, the Commonwealth is in a similar position—able to absorb an immense number of people.

We, however, work our immigration system on a different basis. The High Commissioner who acts here, and passes the men who are going to our country, has

definite instructions, that at certain times of the year no one at all is to be assisted. We try to prevent anything in the shape of assisted emigration from arriving in our country during the winter months. We stop the whole system for the time being so as to insure that when they arrive they can arrive at a time when they can get into the back blocks or wherever they go, under climatic conditions that will not in any way prevent them from making a very agreeable start. We go upon the principle of assisting two classes of people only, one the agricultural labourers, and the other domestic servants. Now we can absorb a large number of agricultural labourers, but we go upon the principle of seeing that there is employment available for the number passed by the High Commissioner so as not to over-supply the agricultural labour market, just as we do it by utilizing the labour exchanges and labour bureaus in seeing that people go to where work is obtainable for them, so that they are all employed. The result of our system is that we are getting as many people into New Zealand as we require for the purposes I have named, and, for all the other purposes, anyone who chooses to come to our country is welcome, but we do not give assistance in the shape of a contribution from the Government towards a low passage to enable them to get out there. I believe it would be a good thing if we could by co-operating—that is the High Commissioners' Office here co-operating—with the British labour exchanges, utilize the machinery here for obtaining the class of people that we want. A suggestion, however, that a refund of the full passage should be made to the British Government would, I think, have to be carefully considered. I look at it from the practical business standpoint, which may not be a sound one, but I am of opinion that where a country like this requires emigration, and we require a certain amount of immigration, there is a mutual need on the part of both countries, and a fair proposition would be that the country which wants to help itself by assisting emigration should jointly with the country that wants to have immigration agree to pay the passage and not to expect a refund at all, because as a matter of practice I confirm what has been said by Mr. Batchelor, that in New Zealand we never get a refund from an individual of the amount we contribute in the shape of reduced passage. Speaking on behalf of the Government of New Zealand I think it would be futile for us to try to do anything of the kind. If it is an advantage to the Old World, as I take it it is, to get rid of a proportion of its surplus population that cannot be remuneratively kept here, it is worth something at least to have that side of the proposition carried out. As far as New Zealand is concerned I would be prepared to consider this proposal with a view to the co-operation of the High Commissioner, and if it worked satisfactorily I should not object to transferring it altogther to the labour exchanges of the Old Country with the conditions we apply now to those who want to come to our country. We require them to be in good health; and we also stipulate that they shall have a small amount of money so that they shall not come out to our country practically as paupers. Moreover we require the health conditions to be beyond all question, on the ground that we are as anxious as can be that those suffering from incipient diseases of the nature of tuberculosis or anything else are not coming into our country.

Mr. BATCHELOR: Do you mean transferring the whole organization?

Sir JOSEPH WARD: I think it might be considered, always provided our present conditions applied. Canada is in quite a different position. They want to introduce large numbers of people, and if the British labour exchanges were working unitedly for all the oversea Dominions we would have to have a system of proportion, and probably Canada would not care about it. They advertise very largely, and the whole of their machinery is used with a view of furthering the employment of people in their country now, and I think there would be some

difficulty in labour exchanges apportioning what was wanted. For instance, if we got too short a supply as the result of Canada and Australia drawing a larger number than we though satisfactory, if the labour exchanges were working, naturally we should have to adopt some other method to get the number we required to come to our country. But I hail with a good deal of satisfaction the proposal of co-operation in a matter of this kind if we can bring it about. It is just one of those matters that I think might be considered by the Governments.

The adoption of this resolution does not commit us to anything, and if any of us cannot fall in line with it well and good. I shall be quite prepared to recommend the Government of New Zealand to give it a trial on the basis of co-operating with the High Commissioner. We want a certain number of people and, if it is any advantage to the Briotish Government labour exchanges that they should filter through them and the people conform to the conditions we require, I see no objection to it. But as far as New Zealand is concerned we could not go for a system that would allow an indiscriminate number of people to be sent out to our country. We should require to regulate that. But upon the whole I rather favour the proposal, provided the flexibility necessary to meet the local conditions is recognized, that is, assuming all of us put it into practical shape; I am prepared to consider the matter contained in this resolution.

General BOTHA: I can only say that I agree with what Sir Wilfrid Laurier has said. We intend to make use of the labour machinery here to get the men that we want from here; but we shall have to be very careful in South Africa. As you know, we have in South Africa a large number of labour men earning a wage on the contract system of about 60l. a month. The average man in Johannesburg gets about 8l. a week. That class of man earns enough to look after himself. Besides that we have a large number of men in South Africa. Our labour market is quite full, and we therefore have a large number of men in Johannesburg and Pretoria to-day who have no work at all. Labourers are attracted in a very large number to South Africa where these wages are being paid, and the Government has to keep a large number of men going now at temporary work at 3s. and 4s. a day. We have been paying large sums of money, and I think we have 4,000 or 5,000 people now working at 3s. and 4s. a day on relief works, just to keep them going. Now that class of man we cannot afford to have in South Africa, and we cannot encourage that class of man to come to South Africa. Therefore we have already had our difficulties with this class of man, and we must be careful. My Government has spent a large sum of money in trying to make agriculturists of some of these men, and have placed a large number of them on the veldt; but I am sorry to say we have met with hopeless failures as regards some of these men, and I shall not be at all surprised if we lose a lot of money over them, because you cannot change a man from an ordinary labourer into an agriculturist at once; it takes some time, and it is too expensive.

Now I am very much in favour of supporting emigration to South Africa, but there I do not want men who will be idle in the streets; I want agriculturists, and for that class I am prepared to spend money, and I hope if we get over this difficulty we have—with the difficulty we have with the Union-Castle Company— and get that settled to make provisions to support our immigration scheme, because we are in favour of it, and we are going to encourage it to a very large extent, but at the same time I think we shall have to be very careful in bringing in, or trying to bring in, the best and the right men to South Africa. Unless we are careful it will be a hopeless failure and a great drawback to us in South Africa. Everything therefore depends solely upon the selection of the men.

Sir JOSEPH WARD: I agree.

Sir EDWARD MORRIS: I am in favour of the resolution, if the labour exchanges can be secured.

Mr. BATCHELOR: The Agents-General state that their own methods of obtaining direct were much more efficacious than supplying through the labour exchanges.

Mr. BUXTON: I am very glad we have had this discussion, and I think it has been of value to us here from the point of view of the labour exchanges and the question of emigration. I brought forward this resolution, not with any intention of pressing it on the Conference if there was any objection at all, but with a view of raising the point for discussion. We have had various representations made to us from various quarters that it would be expedient, and that the Dominions themselves would welcome some co-operation between our labour exchanges, as now constituted, after they have had over a year's working in reference to the question of emigration. We have had from time to time vacancies notified to us from the Dominions, and we thought that instead of the somewhat spasmodic method of dealing with them at present, it might be well if they were put on a better basis. In reply to what General Botha, and, I think Sir Joseph Ward, said, the object of this proposal, if the Dominions co-operate with the labour exchanges, would be this very selection to which they referred, because our proposal would be that only those persons should be sent out who had been passed by the representatives here—the Agents-General or the High Commissioners or whoever it might be. It would be no question of our sending men out without proper inquiry or without proper recommendation; in either case they would be necessarily passed by the representative here, and would only be sent out to fill specific vacancies of a suitable character.

But I think it is clear, after what has passed, that at all events as regards one of the Dominions, they do not welcome the method of dealing with the matter through the labour exchanges. Under these circumstances I certainly should not press it as a resolution. At the same time, in regard to New Zealand and the Commonwealth and the South African Union, we shall be very glad to be put into communication with them through their Agents-General or High Commissioners to see how far we are able to co-operate with them in what they desire. As regards the question of cost I am afraid I can only say it is the recognized policy, not only of this Government but of previous Governments, and I think successive Governments, that they do not see their way to advance money for the purpose of emigrating British subjects from here. It may be right or it may be wrong, but that is the view they hold. I think Mr. Batchelor's point, that in the case of the notification of a vacancy by the time the man got out it might be filled, would apply equally to those who came through the labour exchanges. Our suggestion is that no emigrant should be sent out without the vacancy being actually open for him, and they would remain if done through the representative here.

This resolution was brought forward with the object of raising discussion and to see if the various Dominions desired to co-operate in it, and also to show, as far as His Majesty's Government is concerned, that they are not backward in this matter of emigration, but are desirous of co-operating as far as they can with the various Dominions concerned, and that on the whole they considered this was the best way of doing it. I trust those Dominions who see their way to discuss the matter with us further will do so, and we shall perhaps be able to remedy such difficulties as exist. We should be very glad to co-operate and consider the matter further in the case of South Africa and New Zealand. As regards Canada, for the reasons given by Sir Wilfrid Laurier, I understand it is hostile to the resolution.

The CHAIRMAN: Gentlemen, we may assume that this resolution is withdrawn, and that the Government here will communicate with any Dominion which

thinks we can be of any assistance to it at all, in regard to emigration apart from actual monetary assistance but assistance in other ways in the selection of persons they might wish to obtain for their own Dominion.

Enforcemment of Arbitration Awards.

> "That the Imperial Government should consider, in concert with the Dominion Governments, whether, and to what extent, and under what conditions, it is practicable and desirable to make mutual arrangements, with a view to the enforcement in one part of the Empire of Commercial Arbitration Awards given in another part."

Mr. BUXTON: As regards this question, it is a very difficult and complicated legal question, as Dr. Findlay will recognize, and I do not think any useful purpose would be served if I endeavoured to enter into it in any detail. The object is: "That the Imperial Government should consider, in concert with the Dominion Governments, whether, and to what extent, and under what conditions, it is practicable and desirable to make mutual arrangements with a view to the enforcement in one part of the Empire of Commercial Arbitration Awards given in another part." At the present moment the law in respect of this matter differs in the various Dominions, and what is still more disadvantageous is, that a commercial arbitration award does not, or very exceptionally, carry with it powers of enforcing it in other parts of the Dominions. I think we should probably all agree in such a matter as this that if we could have uniformity of practice it would be of great advantage from a commercial point of view, and not only that there should be uniformity, but that there should be the power of enforcing throughout the Empire the various arbitration awards given in another part of it. If it commends itself to the Conference I suggest it should be referred to a committee; and I would ask the Attorney-General, who knows about the question, to undertake the matter and discuss it on behalf of His Majesty's Government. As a layman it would be hopeless for me to attempt to do so. It is a very complicated matter, but it will be in the very able hands of the Attorney-General if it be approved by the Conference.

Dr. FINDLAY: I think the scope of the proposal should be greatly widened

Mr. BUXTON: You mean as to judgments?

Dr. FINDLAY: I mean different parts of the Empire stand precisely in the same relation to the Motherland as a foreign country does. The King's Writ runs in Ireland if it is endorsed, but the King's Writ does not run in Australia or New Zealand; there it is practically the same as if it were a foreign country.

The CHAIRMAN: That is a technical matter which had better be discussed in committee, as suggested by Mr. Buxton.

Mr. BUXTON: That is our view, and we thought this resolution would be sufficiently wide to cover it.

Dr. FINDLAY: My suggestion is that instead of confirming it merely to the enforcement of awards under an arbitration, you should give valid currency to the King's Writ, and to Judgments of Courts and other legal processes. We, indeed, in New Zealand, have taken rather a prominent step in this matter already for providing for reciprocity with Australia, so that orders made under the Destitute Persons Act should be recognised in Australia as fully as if they were made there; and orders made in New Zealand should have currency in Australia providing Australia will give

us reciprocal legislation. The present system obviously causes expense, trouble, and disappointment, and there seems no reason why a step should not be taken a great deal further than merely as concerns enforcement of awards. An Empire is not an Empire if you treat oversea portions of it like a foreign country.

The CHAIRMAN: I think that is a matter which might well be discussed in Committee, and if the representatives here in Committee with the Attorney-General are not able to come to a final conclusion on this matter during their visit, it is one which might very well be followed up by the Secretariat subsequently in communication with the various Dominions, if that method of dealing with it is approved by the Conference.

Sir JOSEPH WARD: I think that is quite satisfactory. It is a matter where the legal representatives of the Conference are to attend the Committee, and if Dr. Findlay suggests the widening of the proposals here, I think, if it is understood that the Committee can discuss more than is in this Resolution, it is all right.

Mr. BUXTON: The Judgments can be discussed; that is your point.

Dr. FINDLAY: We have further down in your paper a provision with regard to the orders made under the Destitute Persons Law, as to which at present there is no reciprocal provision at all. It would be a very useful thing indeed, because every day it is found that there are difficulties in the way.

The CHAIRMAN: I think the question* of the reciprocity of Destitute Persons Law, which is to be taken up on the resolution of New Zealand, might very well be referred to that Committee at the same time for consideration. We have not got it before us until the 9th June, but it might be referred earlier.

Dr. FINDLAY: It is based on exactly the same principle.

The CHAIRMAN: We will take it that those questions will go to the sub-committee, and we will ask Mr. Buxton to make arrangements for the sitting of that Committee† with the Attorney-General.

Mr. BATCHELOR: I would like to ask whether we ought not to decide the constitution of this Committee to which this will be relegated.

The CHAIRMAN: I should assume that any member of the Conference who wishes would be empowered to attend the Committee and that Mr. Buxton will bring with him the Attorney-General and any other legal assistance which may be requisite. I do not think we need limit the members of the Committee.

Mr. BATCHELOR: Mr. Buxton is to convene it?

Mr. BUXTON: I will convene it.

General BOTHA: I wish to raise the question with regard to Minutes being taken of the Proceedings of Committees. Is not this the proper time to raise the question?

Sir JOSEPH WARD: I think that is quite right, General Botha. Yesterday when we were informally considering matters, I raised the question that at those Committees there ought to be a record of the Proceedings taken.

The CHAIRMAN: I think probably it is right that you should have a record of Committees, but you will remember that the consultations which have taken place

* This question was disposed of on 9 June, *see* pp. 206-212, before the Committee on Arbitration Awards met on 15 June.

† *See* p. 326.

so far have been quite informal. It was on the suggestion of Sir Wilfrid Laurier that nothing was sent to Committees, but it was understood that there might be informal consultations which might simplify our work here a little. Now that we have agreed on this subject to send the matter to a Committee we will take steps to have a record made of the proceedings of the Committee.

Sir JOSEPH WARD: So that when the matter comes up here again it may be rediscussed if necessary.

Uniformity of Laws.

New Zealand—

That it is in the best interests of the Empire that there should be more uniformity throughout its centres and dependencies in the law of copyright, patents, trade marks, companies.

Australia—

That it is desirable, so far as circumstances permit, to secure and maintain uniformity in the company, trade mark, and patent laws of the Empire.

Sir JOSEPH WARD: I think as the outcome of the informal meeting* which took place yesterday, possibly the Conference may agree to my resolution which is contained here: "That it is in the best interests of the Empire that there should be more uniformity throughout its centres and dependencies in the law of copyright, patents, trade marks, companies" I think it is generally conceded that where uniformity can be established, it is a good thing to work for. It was explained yesterday by Mr. Buxton, with regard to the Conference which took place dealing with regard to copyright a short time ago, that there has been practical unformity arrived at as to what should be done with regard to that matter. That Conference held its meetings after I had given notice of this proposal to come on to this Conference for consideration, and I think the decision arrived at by the Copyright Conference upon the whole is in favour, as I understand it from the informal discussion, of the different Dominions. So far as that is concerned, I look upon it as settled that in connection with patents, trade marks, and companies it does seem to me that it is very desirable we should have uniformity in connection with these laws as far as we can, and what I suggested yesterday among other things was that we should make provision for uniformity of the forms of application and specification and the mode of execution of those documents, also the initial fees and manner of their payment. I understood yesterday that there was a difference of opinion as to whether the individual countries concerned could adopt a proposal to have uniformity of fees. The point was raised, and a very weighty one it is, that in some cases a great deal more work might be involved in the matter of administration and that consequently it would be more costly, and that uniformity of fees at all events was not looked upon as being practicable at the present time. Under those circumstances that is a matter that I should, in conformity with the wishes of the representatives at the meeting yesterday, leave out of the proposal I am submitting now.

The CHAIRMAN: Which matter would you leave out?

Sir JOSEPH WARD: The initial fees and the manner of their payment. That need not come into consideration, assuming that the Conference agrees to this general resolution which I have submitted now. Then the forms of the claims

* This refers to an informal meeting which took place at the Board of Trade on 1 June.

and their substance would, of course, depend, on the results of the examination in each country. As to the requirements regarding drawings, unformity is absolutely necessary, in my opinion, because I have known of cases which have been brought under my notice where a man has applied for a patent, and the patent agent has had certain drawings prepared, and they have gone on to another country and then it has been found they did not conform to the requirements of that country at all. Then the process of delay starts again; the man who is waiting has to be advised in the country where he has first registered or perhaps only got provisional registration of his patent, and then he is told, perhaps three or six months afterwards, that fresh sets of drawings are required to be sent to another country. They may be prepared in the other country all right if he has given his consent, but in the meantime there is a delay, and it disheartens any man who spends money and is anxious to have his inventive ideas put into practical effect throughout the British Empire. Then there is another point which has come under my notice, the dispensing with an address for service in the country in which application from abroad is made. That is a matter of detail, no doubt, but it is a very important one and it causes no end of inconvenience to the people outside of the country where he has registered in the first instance the patent he is anxious to have protected in all parts of the world until the necessary searchings have taken place to enable him to be perfectly sure that there is not a similar patent on record in any of the outside countries to which he is going. The whole process at the present time means delay, it means expense, and there is nothing in the wide world to be gained by it as far as I can judge, and an enormous amount of good would arise if we had uniformity in the matter.

So with the opposition to patents. There ought to be no difficulty whatever throughout all portions of the British Empire to have uniformity as to what is required to oppose any proposed patent that is applied for. Now every country is different, there is not a single one alike, and, speaking generally, the systems right throughout the Empire are different. I think that if the Conference were to agree to a resolution that in form and substance as far as practicable we should have uniformity of law on a matter such as this, it would certainly stimulate numbers of people who are anxious to give to the world—and to obtain the benefits from it themselves, which is perhaps the inspiring motive in the first instance—but it would give the world the opportunity at least of having the value of the brains of lots of people who are able to produce something new. But when they make a start in New Zealand (and it applies to the other Dominions too, and to England itself) to have that patent protected all over the world they are confronted with such difficulties that in many cases they drop the idea of doing it. In addition to this, under the present system a man may get provisionally covered in one Dominion but, owing to a certain confusion and want of uniformity and the great delays taking place, before he has made his second start some smart man in another country completely outside the British Empire gets the idea; he gets the sketch drawings, even were registration has taken place in one country, sent to him. The result is that in some great country (it has occurred to my own knowledge or been brought to my notice) the whole possibility of a man getting the benefit of his genius is lost because the patent has been registered by another and put into operation before he could patent it there himself. That is very often the result of these delays.

So with trade marks. There ought to be no difficulty in having uniformity regarding our trade marks law. It requires no elaboration from me to commend this to the representatives of the Conference who are here. So with our company law. I do not say that we could expect to have a similar company law established in all portions of the British Dominions, but it is worth consideration as to whether we now have a company law that as far as the other Dominions are concerned would be accepted in connection with the companies they have in any portion of the British Empire. At the present time our company law in some respects follows the English law; in some respects it differs. The number required to found a company is

different in different portions of the Empire, and, as far as I can judge, it would be a good thing if we had, as this motion says, "more uniformity." Exact uniformity, if one may use the terms, is impossible of achievement, but I think it a move in the right direction and I have pleasure in submitting the motion that I gave notice of.

Dr. FINDLAY: As this is a legal matter, may I say one word? It seems not only that uniformity is desirable but, if possible, unity is desirable. It seems that if we are going to give substance to the Imperial spirit we ought, where we can, to give an Imperial force to such a law as this is. If you get a patent in America at Washington it is a patent for about one hundred million people. You may get a patent in New Zealand which will not be recognised in Australia. We have litigated through our courts some of the greatest patents, including the cyanide process, for instance, and our courts arrived at a different result from that of the courts in Australia, based on a different interpretation of the different prevailing patent laws of both States, although the circumstances were the same and the offices which the patent was discharged were the same; and it is anomalous, it seems to me, where you have an Empire like ours, that you should have in one part of it a patent valid and in the next part of it the patent invalid. It seems to me, therefore, that as far as we can accomplish it the system should have the force of Imperial uniformity. It is surely conceivable that the grant of a patent here in London might have validity right through the Empire. That is one branch of it, and the other is the uniformity to which Sir Joseph Ward has referred, but the uniformity should not, it seems to me, be limited to machinery merely, but might go still further.

In Canada the examination made before a patent is granted is much more exacting than in England, and hence a patent granted in Canada is looked upon as more valuable even than a patent granted in England, New Zealand, or Australia. In America the inquiry is more exacting still, but it seems to me that it would be a great advantage of uniformity of examination could be established in connection with patent law as well as mere uniformity of machinery, because what I desire to press upon the Conference is that if you are going to give some concrete expression of the Imperialistic spirit it might be done in such a direction as this. I think the scope of the suggestoin might be even wider.

Sir WILFRID LAURIER: What do you propose?

Dr. FINDLAY: That a patent might be granted in prescribed cases with valid rights throughout the Empire. Take the cyanide case; it was contested here, it was contested in Australia, in Victoria, in New South Wales, I believe in Western Australia, and in South Africa, where it was upset. In New Zealand it was maintained, in England it was maintained, but it failed as often as it succeeded. Still it was the same process directed to the same purpose, and it seems to me, in such a case as that, thousands of pounds are wasted; that company must have spent half a million in defending their patents, and it seems to me that if a patent is good, properly examined and properly given, it ought to have Imperial currency.

Sir. WILFRID LAURIER: There is a good deal to be said in favour of what you say, Dr. Findlay, but I think if you adopted Sir Joseph Ward's suggestion for uniformity at the present time that is as far as we could go.

Mr. BUXTON: As far as His Majesty's Government is concerned we certainly accept this resolution, being strongly in favour as far as we can of uniformity both as regards copyright, patents, trade marks, and companies. I think Sir Joseph Ward used the right expression, and it is a question really of "more uniformity." I do not think in any of these cases we can get absolute uniformity, but at the present moment the confusion with regard to the matters of this kind is so great as to be a great disadvantage to the persons concerned. It places in the one case the patentee

in a position of difficulty, and the same is true with regard to trade marks and companies, and certainly it is a great disadvantage to the public, and therefore any step we can take in the direction of uniformity would certainly be very advantageous.

I do not know that I can quite go into any of the details raised by Sir Joseph Ward; we discussed them to a certain extent informally the other day, but so long as we are generally agreed that the direction we desire to proceed in is "more uniformity," I shall be glad, as I say, to support this resolution.

The CHAIRMAN: I suppose, Mr. Batchelor, I may take it that the New Zealand resolution covers certainly that of Australia which comes next?

Mr. BATCHELOR: Yes, the two resolutions are quite to the same effect.

The CHAIRMAN: The Government having accepted this resolution, it seems to be a matter which will ultimately go to the Standing Committee of the Conference and which might be satisfactorly dealt with by that Committee. It could equally well be dealt with by the existing Secretariat, if that is the final decision of the Conference hereafter.

Coinage and Weights and Measures.

"That with a view to facilitating trade and commerce throughout the Empire the question of the advisableness of recommending a form of the present units of weights, measures, and coins ought to engage the earnest attention of this Conference."

Mr. BATCHELOR: On the question of facilitating coinage the Prime Minister, who has been looking into this matter, is absent just now, but what we feel is that the practical difficulties, which I know are very great, in the way of uniformity in weights and measures throughout the Empire, and also coinage, ought not to stand in the way of our at any rate pointing out that we aim at bringing about that uniformity if it can be made practical at all. The Commonwealth Parliament has carried a resolution at the instance of Mr. Edwards, who has unfortunately since died, declaring the desirability of having uniformity, adopting uniform coinage and uniform weights and measures, as soon as Great Britain has adopted them. We recognize that it is quite impossible for any one of the Dominions, at any rate so far as Australia and New Zealand and I think, South Africa, are concerned, to adopt any system other than the present or to make any alteration at all unless the United Kingdom are prepared to fall in with it. It would only lead to more complications instead of simplifying matters. At the same time there is such a tremendous waste in our methods of determining weights and measures and coinage that it is extremely desirable that an alteration should be brought about as early as possible. I do not know what is the position the United Kingdom Government take up. I believe the matter has been discussed pretty frequently in the Imperial Parliament, but we feel it would be a good thing, and possibly that it would strengthen the hands of the Government if they brought the question before Parliament, if we were to carry this Resolution. It would be a desirable thing, before attempting to introduce anything of this kind, if this Conference were to express its opinion of the desirability of having a uniform and simpler method of computing weights and measures and as to coinage.

Mr. BUXTON: I am afraid, on the part of His Majesty's Government and the Board of Trade, I cannot accept the resolution as it stands, because it implies that this reform ought to be carried through—that is to say, that we should take active steps to carry it through. I will admit that if we had a clean slate in this matter

we should, I think, probably, with very little difficulty and little hesitation, in consonance with the general view, and certainly the general advantage, adopt, both with regard to coinage and with regard to weights and measures, the proposal of the Commonwealth of Australia.

As regards coinage, that is not my Department, but I understand it will be discussed later on with the Treasury. However, the two things, weights and measures and coinage, really go very much together. The coinage really will take precedence, I think, of the weights and measures; at all events, the two matters go very much together in reference to any question of alteration. Our position here is really this, that we do not think it is a reform which, however advantageous a thing in its way, is a practical matter really to carry through here. It has been discussed more than once in the House of Commons, and the question of the voluntary adoption has been accepted. The question of compulsory enforcement was as short a time ago as 1907 rejected on the motion of a Private Bill by a considerable majority in the House of Commons, and generally, as far as the Board of Trade are concerned, we do not believe it would be practicable to introduce it—at all events at present, if it ever were possible. In these matters you have to look at the general custom of the country, and the custom has grown up so much, perhaps unfortunately, on the opposite system, that I do not think it would be possible for us to get over that general position here, at all events for a very long time. One of the real difficulties about it is the point which was included in all these Bills proposing compulsory enforcement, that the various industries should necessarily be included. Take, for instance, the case of the cotton trade; the cotton trade here accounts for about 30 per cent of the whole exports of our home manufactures, and the Lancashire cotton firms and the employees are very strongly opposed to the proposal of 1907, and are strongly opposed to any alteration on this ground, that if this metric system of weights and measures were introduced it would necessitate having to renumber the sizes of their hanks of yarn, pieces of cloth, &c., to accord with the metric system, as the present numbering is fully understood wherever their goods go throughout the world, and they fear that there would be considerable loss of trade from any alteration. Although the inch and the centimetre are not commensurable units, it would mean, as far as they are concerned, that the sizes could be only approximately specified, and in dealing with large quantities appreciable errors would result. This would specially affect the complicated scales under the different classes of work, which have been drawn up with great care under the existing system, and labour troubles would be likely to occur. The alternative of altering all the looms and other machinery to produce sizes commensurate with the metric units would involve a phohibitive cost, and would be detrimental to the foreign trade.

As regards the engineering trade, they stated that they were opposed to it on somewhat similar grounds, and also it involves the scrapping of patterns, gauges, &c., if the metric system were to be fully enforced. As regards measurement of land, it would entirely upset the existing system under which land is measured and sold and dealt with. As regards various other industries the same arguments were advanced on their behalf, not against the metric system principle but against the difficulty of carry it out in detail. Until those difficulties are overcome, and it is very difficult to see how they can be overcome, as far as we are concerned we do not see how we could adopt a resolution which would necessarily commit us to action in the matter.

I would first like to point out as regards the question of the trade of the United Kingdom taking the whole trade throughout, about half of it is done in countries which have adopted the metric system, and so far as the trade in Great Britain is concerned (the foreign trade I am speaking of) it would not really be greatly advantaged by the adoption of the metric system.

Putting them very shortly, those general points show the attitude which the trader of this country, and the retail traders especially, have taken up, and I do not

think under those circumstances however much we may feel if we based our system on the metric system it would be an advantage, it would be possible for us to move in the matter. Practically it is a business proposition and we could not enforce it even if we desired.

The CHAIRMAN: May I say one word on the point of decimal coinage? although I am not concerned in it except as an individual. It is recognized generally that the pound sterling is the coin of account of the merchant and the banker, and indeed of large parts of the world. but you must consider that with the great population of the British Isles the penny is really the coin of account of the poor, and if you were to reduce the shilling or the token silver coin of that size to 10 pennies instead of 12, would be inflicting a great injustice and hardship on the poor, whose only knowledge of coinage is by the penny, of which there are 240 now in the pound. I only offer that as a casual observation from a student of rural life and poor life in England.

Mr. MALAN: What is the position as regards foreign nations? Do they press for a change at all in connection with the British Empire?

Mr. BUXTON: There has been no representation as far as I am aware.

Mr. MALAN: The Dominions, of course, have got a fairly free hand in this matter. They are younger communities, and they have no very old established institutions as the United Kingdom has got. Canada, for instance, has given us a lead in having its own coinage and its own metric system. Australia has already got its own coinage, and South Africa will probably start its own coinage one of these days when the Union gets a little bit further advanced and we are more or less looking at ourselves. We have a freer hand than the United Kingdom has got. We have not got the trade connections that Mr. Buxton has spoken of in connection with other nations. Now I know that the foreigner is the largest customer of the United Kingdom, and that if a change is made by the United Kingdom without considering their wishes you might inflict a serious injury on your own trade, and, therefore, that is the reason of my question as to what the United States of America, Russia, and India would say about it. Have they expressed any opinion about it at all?

The CHAIRMAN: No.

Mr. BATCHELOR: They nearly all have the metric system and the decimal system.

The CHAIRMAN: Not Russia.

Sir JOSEPH WARD: I would just like to say a few words. In spirit I am in accord with what Mr. Batchelor has been urging in connection with this proposal. I believe that if it were possible to start the business of the old world again now, it would be infinitely better for all portions of the world to have the metric system and the decimal system, but the difficulty that faces us now is that age brings to a country perhaps not infirmities as it does to the individual, but it brings about the difficulty that you cannot restore, without really doing an immense amount of injury to the parts where the restoration is attempted to be brought about—for instance, I have no doubt whatever, as far as the Oversea Dominions are concerned, that we could not carry on our business properly unless Great Britain was to establish the metric system and the decimal system, that is if we were to establish it and the old world were not to do so, in practice it would work with very great difficulty indeed. Unlike the foreign countries that have had either the metric system or the decimal system in operation for many years, it is quite a different thing. There it is the easiest thing in the world to walk into a bank or a commercial house in one of the countries which has the decimal system in operation and ask for the equivalent of a British sovereign;

you can get it by way of exchange immediately and it does not affect their trade in the slighest, but in the parts of the British Empire where we are all trading, if we attempted to carry out what is proposed here, unless Great Britain did it, then I think it would inflict a serious amount of injury upon the trade generally of the country attempting to carry it out. What I would like to see established is uniformity of currency and uniformity of coinage. Take the case of the coinage now existing in Australia; Australia has left out the old half-crown and established a new silver penny. In the matter of coinage I believe it is very important that we should have uniformity and it is particularly awkward, we being next door to Australia, if our people go across to Australia with 10,000 half-crowns and they find over there that they are not current coinage because the half-crown is not part of the coinage of Australia. That is a point upon which I think it is important we should try to have uniformity. I do not know that it is practicable to put into operation what is suggested in this resolution. I am afraid the difficulty standing in the way without the first movement being made by the old world with its millions of people is of such a nature as to make it next to impossible for any of the Oversea Dominions to put into operation what is suggested here.

Sir EDWARD MORRIS: Like the others, I agree with the principle of the resolution, but in view of what Mr. Buxton has stated it is not practicable at all and there is no use discussing it.

Mr. BATCHELOR: Just in reply, I would like to say that, of course, those difficulties that have been mentioned by Mr. Buxton must be in the cognizance of everybody who considers the matter at all, but would not those difficulties be got over—I put it to you with all deference—if you were to say that after a time, say 10 years or 15 years hence, the metric system should be adopted or the decimal system of coinage? So long as we give a sufficient time for commercial conditions to adjust themselves to the alteration in order to prevent any violent dislocation of business, which, of course, would be intolerable, it does not seem to me that there would be such a disadvantage to commercial interest.

Mr. BUXTON: Would that really be so, because you have at one time or another to start your metric system and your decimal coinage as against the existing system. Ten years' notice would surely not get them any further. Take the case of the cotton trade which I have referred to, at some particular moment they must change from one system to the other. It is that particular moment that will disorganize their trade, no matter what length of notice may be given. That is the practical difficulty, as to the disorganization of their trade. I think if we were suddenly both to accept this proposition and to enforce it compulsorily, we should have a revolution here.

The CHAIRMAN: I am quite certain that if you imposed the decimal coinage in this country you would have a revolution within a week.

Mr. BATCHELOR: Supposing you started with your penny?

Sir EDWARD MORRIS: At any rate you would change your Government in a week.

Mr. BUXTON: You would certainly change your Government.

The CHAIRMAN: You would change any Government that tried to impose it.

Mr. BUXTON: It is a practical question. We are, I think, all agreed that if we had a clean slate it would be a very different matter.

Mr. BATCHELOR: As regards the criticism of Sir Joseph Ward, the Australian Parliament considered that the half-crown was a useless coin and that it was absurd for us to go on minting them. It does not affect the computation and it is not a very convenient coin.

Sir JOSEPH WARD: I agree if all parts of England and the oversea countries had the two-shilling piece and no half-crown, it would be all right.

The CHAIRMAN: The curious thing is we tried dropping the half-crown here and we were compelled by the public again to coin it.

Sir JOSEPH WARD: That difficulty does exist, Mr. Batchelor, and it is the fact that people from other countries going into Australia with half-crowns find that there is a tendency to treat them as two shillings. If you have a different coinage in countries so close together as that there is no doubt while in theory what you say is right, and it may be desirable to avoid an excessive number of pieces of silver to represent a pound, yet where all the other countries have the half-crown, and you stop it, it makes the use of every half-crown our people take to your country more difficult.

The CHAIRMAN: I do not know whether in view of the discussion, Mr. Batchelor wishes to press the resolution further.

Mr. BATCHELOR: The resolution does not ask that the Government shall take any action, and, really, in the form in which it is, it is not very much more than a pious hope.

Sir D. DE VILLIERS GRAAFF: Is it not a pity to pass the resolution unless some action is to be taken?

Mr. BATCHELOR: I am prepared, after the discussion which has taken place, and the statement made by Mr. Buxton that it is quite impracticable in the United Kingdom to pass any such proposal, so let the resolution be taken off the Notice Paper.

INTERNAPIONAL EXHIBITIONS.

'That in view of the International Conference to be held at Berlin in 1912, with a view to the regulation of the conditions under which International Exhibitions should receive support, it is desirable that the Imperial and Dominion Governments shall consider the matter in conjunction so as to arrange, if possible, for concerted action on this subject.'

Mr. BUXTON: The next question is International Exhibitions, and the resolution here is as follows: 'That in view of the International Conference to be held at Berlin in 1912 with a view to the regulation of the conditions under which international exhibitions should receive support, it is desirable that the Imperial and Dominion Governments shall consider the matter in conjunction so as to arrange, if possible, for concerted action upon this subject.' There is this Conference at Berlin next year and the points they are going to discuss are the practicability of classifying all exhibitions according to the auspices under which they are promoted, and their scope with a view to the adoption of general principles which would prevent great exhibitions being held simultaneously. This involves the establishment of general regulations governing such matters as the classification of exhibitions and so on, transport and the adoption of general principles relating to the anticipation of exhibitions being held abroad, consideration of means for suppressing fictitious exhibitions, and fictitious awards. I think that it is of very great advantage that there should be

something in the nature of International Agreement in reference to exhibitions. I thing everybody admits that they are far too frequent, and what happens still more is that one exhibition, unless it is arranged beforehand in reference to others, really spoils another. I believe one of the chief objects which the German Government have in summoning the Conference is, as far as we are aware, to see how far exhibitions might be limited in number and made more effective. We find over here that our manufacturers, merchants and others are getting very shy of these exhibitions, because it is really a very great tax upon them and if you have an exhibition at all it should be of material advantage both as an exhibition of goods used in commerce and also from the point of view of extending trade on all sides. So I hope the Dominions may agree with us that it would be well to be represented at this International Conference, and as far as possible obtain International uniformity.

Mr. BATCHELOR: What do you propose to do, to ask the Conference to carry a resolution affirming the desirability?

Mr. BUXTON: That is the Resolution I have down on the Paper.

Sir D. DE VILLIERS GRAAFF: This is all right.

Mr. BATCHELOR: You say here, 'In view of the International Conference to be held at Berlin in 1912 with a view to the regulation of the conditions under which International Exhibitions should receive support, it is desirable that the Imperial and Dominion Governments shall consider the matter in conjunction.' What precisely does that mean? Does it mean you want to do it to-day?

Mr. BUXTON: No, not to-day, but that we should pass this Resolution and then we consider the best method of putting forward our views. That might be done, I think, between us by correspondence.

The CHAIRMAN: The Imperial Government might find out the views of the Dominions on this matter and then represent the Dominions as well as themselves at the Conference which is to take place.

Mr. BUXTON: We can formulate the views which we hold, which probably will meet the views of the various Dominions, and then we can circulate those to them. Probably that would be the best way of doing it.

Sir WILFRID LAURIER: The object to be attained would be simply to restrain the number of exhibitions which are held at the present day. I suppose the Dominions would expect to be represented at that Conference to give their views and arrive at a general uniform system to be adopted by all nations.

The CHAIRMAN: There would be no difficulty in arranging for representation of all the Dominions who wished it.

Sir JOSEPH WARD: What I wanted to ask Mr. Buxton was this: Does this suggest that in an individual country it should apply to local exhibitions? for instance, there is one great city in Sir Wilfrid Laurier's country where they have an exhibtion yearly.

The CHAIRMAN: This matter refers to international exhibitions.

Mr. BUXTON: It refers to international exhibitions like the Brussels and Rome Exhibitions, and your own in 1916, Sir Wilfrid.

Mr. BRODEUR: This relates only to international exhibitions.

Sir JOSEPH WARD: Then I agree with the proposal.

Mr. BATCHELOR: We certainly will support that resolution heartily. I think there is very great need not only to limit exhibitions but to have classification of exhibitions. At present one never knows when applications are received for Government support of particular exhibitions whether they are sufficiently international in their character to justify giving support. It is very important to have classification. I think there is no difficulty about arranging for representation at the Conference.

The CHAIRMAN: May I assume that the Conference agrees to this resolution?

[AGREED.]

Adjourned to Thursday next at 11 o'clock.

FIFTH DAY.

Thursday, 8th June, 1911.

The Imperial Conference met at the Foreign Office at 11 a.m.

PRESENT:

The Right Honourable L. Harcourt, M.P., Secretary of State for the Colonies (in the Chair).

Canada.

The Right Honourable Sir Wilfrid Laurier, G.C.M.G., Prime Minister of the Dominion.

Australia.

The Honourable A. Fisher, Prime Minister of the Commonwealth.

The Honourable E. L. Batchelor, Minister of External Affairs.

New Zealand.

The Right Honourable Sir Joseph G. Ward, K.C.M.G., Prime Minister of the Dominion.

The Honourable J. G. Findlay, K.C., LL.D., Attorney-General and Minister of Justice.

Union of South Africa.

General The Right Honourable L. Botha, Prime Minister of the Union.

The Honourable F. S. Malan, Minister of Education.

The Honourable Sir David de Villiers Graaff, Bart., Minister of Public Works, Posts, and Telegraphs.

Newfoundland.

The Honourable Sir E. P. Morris, K.C., Prime Minister.

The Honourable R. Watson, Colonial Secretary.

Mr. H. W. Just, C.B., C.M.G., Secretary to the Conference.

Mr. W. A. Robinson, Senior Assistant Secretary.

Mr. A. B. Keith, D.C.L., Junior Assistant Secretary.

There were also present:

Lord Lucas, Parliamentary Under Secretary of State for the Colonies;

Sir Francis Hopwood, G.C.M.G., K.C.B., Permanent Under Secretary of State for the Colonies;

Sir C. P. Lucas, K.C.M.G., C.B., Assistant Under Secretary of State for the Colonies;

Mr. Atlee A. Hunt, C.M.G., Secretary to the Department of External Affairs, Commonwealth of Australia;

Mr. J. R. Leisk, Secretary for Finance, Union of South Africa; and

Private Secretaries to Members of the Conference.

The CHAIRMAN: Gentlemen, you sent a telegram* of congratulation to the Union of South Africa on its anniversary, and I have received the following telegram in reply from Lord Gladstone: "Your telegram, 30th May. Ministers request me to convey to Imperial Conference their thanks for its congratulations on the first anniversary of Union of South Africa, and to express their appreciation of warm feelings which exist in all parts of the Empire towards the people of this country. They further desire to express the hope that deliberations of the Conference will tend towards the strengthening of the bonds of brotherhood between the various peoples of our great Empire.—GLADSTONE."

STANDING COMMITTEE.

In the unavoidable absence of the Chancellor of the Exchequer to-day, I ventured with your concurrence to put down for our business the consideration of the Memorandum† which I have circulated in accordance with the request made by the Conference at our previous discussion. Perhaps I might briefly recapitulate the position. This offer is made on behalf of the Imperial Government in order to meet the express wishes of New Zealand and the supposed wishes of some of the other Dominions. It is a strengthening and enlarging of the Secretariat in order to secure greater continuity and co-operation in the work between one Conference and another, and on any allied questions which may properly come up for consideration as Conference questions; but those questions would always be submitted to the Dominions concerned or interested in them before they were considered by such a Standing Committee as this.

In formulating a committee I had no alternative but to suggest the only permanently resident representatives of the Dominions in Great Britain, the High Commsisioners, but I was very careful to say that we should receive with equal satisfaction on such a Standing Committee any representative whom they might like to send or to nominate in place of their High Commissioners. His Majestys Government do not wish to press this proposal upon the Conference unless it commends itself to their unanimous judgment. It would obviously be impossible to establish such a committee unless all the Dominions were taking part in it. Therefore, gentlemen, I would leave the discussion and decision of this matter entirely to yourselves.

Sir WILFRID LAURIER: Have you got any resolution on the subject?

The CHAIRMAN: There is no resolution put down.

Sir WILFRID LAURIER: I thought there was a skeleton resolution.

The CHAIRMAN: I have got a skeleton—shall I read it? This was only a suggested resolution: "That with a view to promoting continuity of co-operation in the work of the Conference, any matters for discussion upon which it is not deemed necessary or desirable to hold subsidiary conferences should be referred, with the consent of the several Governments, to the Standing Committee outlined in the Secretary of State's memorandum." There is another form of it—I do not attach any importance to the form: "That this Conference having read Mr. Harcourt's memorandum dated May 26th and entitled 'Proposal for a Standing Committee of the

* NOTE.—The following telegram was sent to the Governor-General of the Union of South Africa on the 30th of May: "I am asked to communicate to you the following message for your Government:—

"The Imperial Conference desires to congratulate South Africa on the occasion of the celebration of the first anniversary of the establishment to her political Union, sharing most warmly the feelings of thanksgiving and high hope which animate her people to-day and which find a hearty response in all parts of the Empire.—ASQUITH."

† *See* Volume of papers [Cd. 5746.—1.]

Imperial Conference' is of opinion that a Standing Committee should be established in the form, with the representation, and subject to the conditions, suggested by the said memorandum."

Mr. BATCHELOR: You do not suggest in the resolution that there are to be periodical meetings?

The CHAIRMAN: No, they will be called together when there is business to do.

Sir WILFRID LAURIER: I must say frankly, for my part I do not view with any favour any departure from the system we have now; but I would defer my judgment until we have heard what Sir Joseph Ward has to say, because I have an open mind on this question; but I know Sir Joseph Ward feels more strongly on the subject than I do.

As I understand it now, the powers of this Committee would be very much limited, as will be seen from condition 5 of the memorandum. "The advice of the Committee would be given to the Secretary of State and communicated to the Dominion Governments through the Governor-General, though the High Commissioners or Dominions representatives would, of course, be free to inform their Governments of the proceedings at the Committee." I would reserve my judgment, and perhaps Sir Joseph Ward would give us the benefit of his views upon it, because he seems to think strongly on this matter.

Sir JOSEPH WARD: I spoke on the resolution that I submitted in the first instance, and I expalined why I thought it was desirable that something in the direction contained in those resolutions should be established; and in the course of the discussion I understood you to say that you had no objection to No. 1 if it was proposed. As far as I am concerned, I do not wish to press any special portion of it; I believe myself it is of considerable importance that there should be some bridge between the meetings of the Imperial Conference over which from time to time could be carried the matters that had not been brought to a final issue, or, in cases where a general decision, if not by resolution, a course of action is expressed in the various views of the different members attending the Conference. I consider that there should be an opportunity, as points would arise connected with them, no doubt, of their being discussed with a view to something practical, or finality, on different points being arrived at.

When we were here in 1907 there was a movement in this direction made. On the whole, while it has been carried out as well as it possibly could be done under the circumstances, I do not think it is complete enough, and I am inclined to think we ought to have a Standing Committee, although I do not quite fall in with some of the proposals contained in the memorandum which has been submitted this morning. For instance, just to make the point clear, I think it would be a very invidious thing to ask the different countries to appoint "the High Commissioner or other representative"; because once you put in a proposal to appoint the High Commissioner or other representative, if any of the oversea Dominions left out the High Commissioner, it would be looked upon by the outside world as a stamp of inferiority being put upon him, so putting the Government in the very invidious position of every time having to appoint the High Commissioner whether they desired it or not.

Anothing thing is the point I referred to in discussing this matter before, that it is not quite desirable to have the principal executive officer of the oversea Dominions here acting under the authority and direction of his Government and at the same time a member of a Committee which might in some matters come into conflict with his high and responsible duties in his special office. I do not think it quite the most satisfactory thing from the point of view of the responsible Governments across the seas, to put an officer who has to take his direction from them in the position of

being an adviser to them in conjunction with the Imperial Conference, whereas at the meetings of the Imperial Conference he has no status whatever. I do not say positively that the High Commissioner should not be on the Committee, but the matter is one that requires to be very carefully considered. So that I think it would be better in any case, if this proposal of Mr. Harcourt's is agreed to, to leave out the High Commissioner, and just simply to put "Representative for Canada, Australia, New Zealand, and South Africa," letting the Governments have the power to appoint whom they desire.

The CHAIRMAN: I would agree at once to the alteration in the memorandum and to leave out "High Commissioner or other" and put in "a representative."

Sir JOSEPH WARD: I think that puts it all right.

The CHAIRMAN: Then we should omit condition 8, of course.

Sir JOSEPH WARD: Yes, that would require to be omitted.

Dr. FINDLAY: And there is a consequential change in condition 5 "the High Commissioners or" to be omitted.

Sir JOSEPH WARD: "A representative" it should be. I want to say that upon the whole I think this is a step in the right direction, and I am quite ready to accept the proposal which you make here as an evidence of the desire of His Majesty's Government to have some machinery that will enable practical decisions to be come to upon points, even where we have not arrived at resolutions, that may be required to be re-discussed, which could only be done, as suggested in your memorandum, in consultation with the respective Governments through the Governor or Governor-General; and that keeps the power entirely, so far as the decision is concerned, in the hands of the Governments of the oversea Dominions, as it ought to be.

I do not want to take up the time of the Conference by going again over the various reasons, but I believe we ought to go a step forward to improve the present position. I think it is very important that we should have something in the interval without expecting men to come over the seas too frequently to sub-conferences here, by means of which we should have the opportunity of having matters discussed, considered, and reported upon to the respective Governments. With another important alteration that has already been made on the Defence Committee, to which I cannot refer here, I think the machinery suggested, with what has already been done in another direction, would be very valuable.

The CHAIRMAN: May I ask, Sir Joseph, whether you contemplate the probability of having a representative of New Zealand permanently resident here for this purpose?

Sir JOSEPH WARD: No, I do not contemplate that; but my impression is that it is not a desirable thing to say that it should be: "The High Commissioner or other representative." It is far better to say that it should be "a representative," definitely; but it is quite possible that at times—and this does not apply to any of the existing High Commissioners—through no fault of our own, perhaps the High Commissioner might not be in every way qualified to take up the work. Such a thing might occur with some of the oversea Dominions; so that I think it better to have it as "a representative" only.

Dr. FINDLAY: I might ask a question about this. Condition 3 says: "Being a Committee of the Imperial Conference, it must deal only with matters which concern the past Conference or have to do with the preparations for the approaching one, or for any other matters which seem to be appropriate questions between both." That would cover all the matters upon the agenda paper at this Conference?

The CHAIRMAN: Yes.

Dr. FINDLAY: So that all those minor matters, such as the currency of awards, uniformity of Patent Law, Copyright Law, Company Law, Shipping, Civil Service, Exchange, and so on, would be threshed out before this Standing Committee between this and the next meeting of the Conference?

The CHAIRMAN: Certainly.

Dr. FINDLAY: It seems to me that is an immensly useful function; because it is hopeless to go into the details of the uniformity of Company Law and Copyright Law at a Conference like this.

Mr. FISHER: When Conferences were first suggested, there was considerable opposition to them, because they might interfere in some way with the self-government and the responsible government of the Dominions. That has been successfully overcome, and I think, with the greatest respect to those who take a different view, that the time has arrived when we need some such body to carry on the work between these Conferences. Hitherto the Conferences have been dealing with the Government of the United Kingdom, with part of the household shut. During this Conference the Government of the United Kingdom have taken the representatives of the oversea Dominions fully into their confidence in matters of moment and of grave concern to the whole of us. I think under those circumstances it is all the more necessary that we should have this subsidiary Committee to deal with the important work that is done openly in this Conference and facilitate communication, even to a closer extent and degree than hitherto.

That seems to me to be the position we occupy to-day. As to this draft memorandum, I say at once that I agree so far as it says that this Committee shall only be advisory, and shall have no executive power whatever to committ anyone to anything except to advise the Government and to co-operate with the Ministers here in any matter where it can assist and be of use to them. I agree with Sir Joseph Ward, that while it might be advisable that the principal representatives of the Dominions permanently here might be most useful members on that Committee, still it would be more advisable to name no one, but to leave it to the respective Dominions from time to time to appoint their own representatives.

I am very glad of this opportunity of saying that many important matters will undoubtedly come up between these four-year Conferences. Immediately we were taken into the full confidence of the Government here I was very doubtful whether that new position would stand four-year Conferences. It seems to me that the Conferences will have to be at shorter periods unless you are going to entrust to some other person or body larger powers than we are entrusting them with at the present time, and unless the Government here will convey to them or to us in a larger measure than they have done in the past their confidence in matters that we cannot discuss here.

On the merits of the proposal I think they are good, and I should like my friend, Mr. Batchelor, who is immediately concerned with this latter, to address himself to the subject, if he will.

Mr. BATCHELOR: In addition to the limitation that was mentioned by Mr. Fisher, and which was also referred to by yourself, Sir, that this Committee would be purely advisory and would have no power to vote, there is also the further limitation, that before it can consider anything at all, before it can be brought into being at any time, the Secretary of State will inform the Dominions, and the Dominions must agree to the discussion of any question. Under those circumstances it seems that there can be hardly any doubt as to the advisability of having a Standing Committee, which, whenever all the Dominions desire anything to be discussed which has come

before this Conference or which ought to come before the next Conference, can be called into being and discussed then. It is a proposition which I should think no one, however anxious for complete autonomy, could object to. I suppose the Secretary to the Imperial Conference, Mr. Just, would report to this Committee on any work he had been engaged upon?

The CHAIRMAN: Certainly.

Mr. BATCHELOR: I think it would have some distinct advantages. Some of the smaller matters which this Conference has not time to thrash out properly might be discussed at such a Conference, at the unanimous desire of the Dominions concerned. It is a proposition we ought to accept very readily, I think.

General BOTHA: I only want to say that I do not see any very great advantage in accepting this, and we feel that the system ought to remain more or less the same. My Government has brought up one point in connection with this matter on the Agenda, and that is, that the work of the Dominions should be brought under the Prime Minister of the United Kingdom. I have already intimated that I did not intend to press this point after having heard what Mr. Asquith said about it a few days ago, explaining how impossible it would be for the Prime Minister of the United Kingdom to undertake the additional work which this would involve. Besides, I feel the force of the argument that it would be very inconvenient in South Africa if the Union were to deal through the Prime Minister and the territories through the Colonial Office.

With regard to this proposal, I am not in favour of accepting it as it stands. If we leave in the words "The High Commissioner or other representative," we shall find one Dominion appointing its High Commissioner and another might make it a post for some political man whom it might be convenient to get out of the way.

The CHAIRMAN: I suggested withdrawing the words: "High Commissioner," and merely leaving it "a representative," and that would, of course, leave it open to any Dominion to choose any person it liked.

General BOTHA: I understand that Sir Joseph has suggested doing away with the mention of the High Commissioner altogether; but if you do that, again you place the Dominions in absolutely the same position. The one Dominion will say: "My High Commissioner must act," and the other Dominion will say: "No, I am going to send another man, so as to get him away."

Mr. FISHER: You would surely never do that?

General BOTHA: I only say what could be done; and the object of the Conference is to get uniformity.

Sir JOSEPH WARD: Uniformity of action and uniformity of decision.

General BOTHA: You want the same class of man, and if one Dominion sends a Minister here and the other an official or its High Commissioner, you will very soon have a rupture between the Ministers and the other men.

Sir JOSEPH WARD: Speaking for New Zealand, we could not spare a Minister to attend those Conferences here at shorter intervals than at present; and I do not think any Dominion could.

General BOTHA: Then you could send another political man. I think the object is either to get the High Commissioner in, or some other person; but every Dominion ought to send more or less the same class of man or men of the same standing, otherwise the thing will not work. If the one man has a very much higher standing here than the other, I do not think that will lead to uniformity.

Sir JOSEPH WARD: There is no voting, of course.

General BOTHA: Then, also, what will be the position of this Committee at the next Conference? Will they be allowed to attend the next Conference of Prime Ministers? What would be their position—will they be able to come and sit here and listen to what is going on, or will they be kept away from the Conference?

The CHAIRMAN: I suppose when a Dominion is represented at the Conference by its own Ministers, the members of the Committee would no longer take part in the Conference.

General BOTHA: I am only raising this one point to show you what is likely to happen. Those men would say: "We have to carry out the Prime Ministers' work here at this Conference, but we do not understand the details of the work and the discussions that have taken place at the Conference." I am only mentioning that there is some difficulty and that it would not be all clear sailing after we have appointed the Committee.

Sir JOSEPH WARD: It will have all the information regarding the work of the Conference, because everything is published.

General BOTHA: Still they are then part and parcel of this Conference. They must carry out the Conference work if we accept this suggestion. They must not only carry out the work, but they will also assist in preparing what is to be discussed at the next Conference.

The CHAIRMAN: I do not think they could possibly be members of the Conference when they met. That, I think, would not be approved of by any Dominion. Of course if Ministers wished to have them in the room in order to consult them, that is a different matter; but I should have thought it was desirable when the Conference took place, for Ministers alone to represent their Dominions.

General BOTHA: I quite agree.

Sir JOSEPH WARD: The Secretary of State for the Colonies, Parliamentary Under-Secretary, Permanent Under-Secretary and so on, have been at this Conference all through; and so could the other representatives be here in the same way.

General BOTHA: I do not want to have any misunderstanding; I want the thing made quite clear now, otherwise you will find there will be difficulty afterwards. Let us settle all this to begin with. I do think the responsible man at those Conferences must be the Minister of the Imperial Government who presides over them. I think that is the really responsible man for the carrying out of the resolutions that are taken here. Sir Joseph Ward said just now that this is a forward move in the right direction. I am quite sure that it is: because if you want to take any responsibility away from the Secretary of State, who is to be the connecting link between us and the Dominions? Our High Commissioners or the men we are going to place here to carry out these resolutions will have no influence, and never can have the same influence as the British Minister who presides at this Conference.

Sir JOSEPH WARD: If that was so, General Botha, you would be right; but read the clause 3 in the proposed arrangements. If you will allow me I will read it: "Being a Committee of the Imperial Conference, it must deal only with matters which concern the past Conference or have to do with the preparations for the approaching one, or for any other matters which seem to be appropriate questions between both."

General BOTHA: I quite agree that this looks very innocent. You said just now, Sir Joseph, that this was a move in the right direction, but it might lead up to that Imperial Council which I very strongly object to.

Sir JOSEPH WARD: It is bound to come anyhow, quite irrespective of this.

The CHAIRMAN: I might point out that the subsidiary conferences which have been held from time to time, may and do consist sometimes of High Commissioners or other Ministers sitting together. The Copyright Conference was so composed, but of course it did not lead to any suggestion that the people who composed the subsidiary conferences should attend or be members of this Conference.

Mr. BATCHELOR: Yes, and Lord Tennyson represented Australia.

General BOTHA: I quite agree that subsidiary conferences must be held. You have defence and various things as to which I think from time to time you will have to have Conferences here; but we cannot now arrange that this Committee is going to discuss these subjects. Therefore I am very much in favour of subsidiary conferences standing, where a Minister will be sent over to deal with and meet other Ministers here on a special thing, like defence or anything of that kind. I do not think this Committee must discuss anything of that kind. I do not want to have a standing committee here which may lead in the slightest way to interference in the work of the responsible Government in any of the Dominions. That is a point I want to make very clear. If that is the case I would rather not appoint any man on such a committee. Therefore, let us be quite clear; let us have this Committee, but it must not be of an interfering character.

Mr. BATCHELOR: The subject has to be relegated by the Dominion Governments to this Committee.

Sir JOSEPH WARD: It does not interfere with the actual work of any of the oversea Dominions at all, either directly or indirectly. That remains intact as it is now, through the Secretary of State and the Secretary of State alone.

General BOTHA: But, Sir Joseph, cannot the Secretary of State who is there now carry out the work just as well as a committee? Cannot an arrangement be made with the Secretary of State whenever anything crops up to call in the High Commissioners and to discuss with them, without making it a hard and fast rule? As far as I know, our High Commissioner has been called in from time to time on various difficulties that have cropped up, and they have been discussed here, and I think that is the right thing. He is here as a representative of his Dominion and must be heard. I think that is the right thing, and, as the Secretary of State has already explained to us, he is having monthly meetings with them now to discuss various questions.

Dr. FINDLAY: A question cannot be discussed unless you approve. If you look at condition 4, it is entirely in your hands.

Sir JOSEPH WARD: "In all cases the Dominions' Governments will be consulted, through the Governors-General, as to their willingness for the submission of questions to this Committee."

The CHAIRMAN: I may say again that I have frequently consulted the High Commissioners on all the questions which have arisen with the Dominions, not only at the monthly meetings which I have newly established, but I have asked them to come and see me, and they have asked me to see them, on many questions relating to their Dominions, and we have had the very fullest discussion of those matters very frequently; but of course, there was no formality about it. They were not authorized, I suppose, specially to give me information on the subject, and I sent for them in a purely informal way, in order to keep me to the full charged with the view of the Dominion and any circumstances which might be in their knowledge but which had not come to mine.

Sir EDWARD MORRIS: I should just like to say that I rather concur with General Botha in relation to this proposed Committee, for the reason that it appears to me that, if anything important should arise, a subsidiary conference could be held and delegates or representatives with power to make recommendations could attend. Now it seems to me that such a Committee as this could only deal with matters that at present are being dealt with by the various public departments here in England, in correspondence with the various Dominions. Suppose this Committee that is proposed desired to deal with the question of the unification of the Patent Law, Copyright Law, Bankruptcy Law, Weights and Measures, or any of these questions as subsidiary matters, how could they possibly accomplish this any better than the Board of Trade or other similar Boards here by dealing direct with the Dominions? If they were here sitting to-day on any of these matters, they would simply have to invoke the aid and assistance of the machinery of the Board of Trade or other Department.

Then, as regards the constitution of such a body, it appears to me that is only going to lead to confusion and circumlocution; in other words, they would have no binding powers; they would have no authority whatever. All they have to do is to advise, and even then it would be difficult for them to advise unless they were a permanent body, daily acquiring such information as would entitle their recommendations to be regarded seriously. I took rather an interest in the debate resulting from the proposal of Sir Joseph Ward in relation to the Imperial Council. I thought it was an impossible proposition as long as the present machinery of government exists; but it may come when a complete change will have taken place in the Constitution of the Imperial Government as well as the Constitutions of the Dominions. This Conference itself is a very good illustration of the little practical work it is possible to accomplish even if you had such a permanent committee as is now proposed.

It is four years now since the last Conference was held. We came here nearly a month ago with very comprehensive agenda not contributed to, perhaps, equally by all the Dominions, but very careful and, as I say, comprehensive agenda, and the result of the work will probably be—the outcome of the whole deliberation will probably be—one or two important matters that were not on the agenda at all. The first is a statement of the Secretary of State in relation to the consultation in the future of the Dominions with regard to trade matters similar to the Declaration of London, and the partnership constituted by the statement of the Foreign Secretary, Sir Edward Grey. Now if the last four years was only able to furnish the material that we have been discussing, and from which such little practical result, I am afraid, may flow, what value would there be in having a committee sitting to deal merely with matters which I assume would only go to them after the failure of the various Dominions themselves to deal with the Colonial Office direct?

Speaking for Newfoundland, we would have nothing, practically, to submit, except it would be some very serious and important question upon which we should have a difference with the Colonial Office, because at the present time we are not interfered with in any way. In other words we are allowed to work out our constitution in its broadest possible way, and thus it is only on an important constitutional question that we should have any difference, and if that difference should arise, it is not a matter we would submit to that Committee. Of course, there might be more matters in common between Dominions like New Zealand and Australia, where probably a Conference between their representatives on matters in which they would be peculiarly interested might be of value; but to have a permanent committee dealing with questions which are now being satisfactorily attended to does not appear to me to be of any very great importance; and I am afraid, by reason of the fact that they are to have no powers whatever—that seems to commend itself to some—the fact of their having no powers and not being able to do anything at all—and being merely

advisory, it would simply lead to multiplication of departments, circumlocution, and confusion. That is my humble opinion.

I understand this was merely a suggestion of the Secretary of State for the Colonies arising out of the proposal of Sir Joseph Ward, and if it was a mere question of voting against it, I do not suppose I should vote against the proposal, for the reason that, in my opinion, it will not amount to anything.

Sir WILFRID LAURIER: As I said at the outset, I approach—and my colleagues who unfortunately are not here to-day, although I have had some discussion with them have approached—this question with an open mind, not in any way favouring it, but we are not anxious to press our own view, and are rather anxious to take the views of our colleagues at the Conference; and certainly, for my part, I am thankful it has been done in so open a manner as it has been done.

The greatest importance is attached, and, I think, should be attached, to those Conferences which have been held periodically under the system which was adopted four years ago of Governments and Governments; but I would view with serious apprehension the interference of any body whatever between the Government here and the Governments in the respective Dominions. If this body is to be anything at all, it will try to exercise its own views and to impress its own views on the Government here and upon the other Governments. It would be either that or it would mean nothing at all. Therefore, for my part, I have not changed my view. I still adhere to the position I took up four years ago, that the relations between the Dominion Governments and the Imperial Government should be carried on by themselves. We have ample machinery now in the reorganization of the Colonial Office, which has given ample satisfaction; and, therefore, for my part, I adhere to the proposition that I should leave matters just as they are at the present time, and that this would not be an improvement upon them.

Mr. MALAN: Before you reply on the discussion, Sir, I would just like to add a few words to what General Botha has already said. One of the difficulties we feel in connection with this proposal is that we do not know exactly what the status of this Conference or Committee will be. Condition 2 of your proposal says: "It should be advisory of the Secretary of State." Now, to begin with, condition 3 says: "Being a Committee of the Imperial Conference." This Imperial Conference is not advisory to the Secretary of State. It is a conference of responsible Ministers, Prime Ministers from the Dominions and the United Kingdom. We consult together here; we take certain resolutions, and it is more the policy of the Empire which is under consideration here and is being discussed, than any executive matters which could be taken by this Conference itself.

Dr. FINDLAY: You see why it is made advisory to the Secretary of State you look at condition 5; it is merely as an avenue of information to the different States.

Mr. MALAN: Yes. But why should they not be advisory to the Prime Ministers of the Dominions? Why should this Committee, which is a Committee of this Conference, or which is stated in paragraph 3 to be a Committee of this Conference, be advisory to one partner only, that is to say, to the Secretary of State of the United Kingdom? The other Dominions will get a communication through the Secretary of State, but the advice will be given to only one of the partners sitting round this table; and if our views are not to be represented by the responsible Minister, the Prime Minister sitting at this same table, but by one we have to nominate, and he is going to dictate to us out in the Dominions what our policy is to be on any particular subject, we will certainly object.

Sir JOSEPH WARD: That is not so. There cannot be any dictation. It can only be suggested, and has to be assented to by our respective Governments before anything can be given effect to.

The CHAIRMAN: It was for that reason I did not suggest that it should be advisory to the Dominions; I thought the proposal would have still less chance of success if it were suggested that it was to be advisory to the Dominion Governments.

Mr. MALAN: Yes, but this proposal in condition 2 will tend to still further lower the status of the Dominions as compared with that of the United Kingdom.

The CHAIRMAN: No.

Mr. FISHER: Hardly that, surely?

The CHAIRMAN: That was certainly not the intention.

Mr. MALAN: It would mean that. If this proposal is accepted it would mean that the Conference then becomes advisory to the Secretary of State here; because you cannot give different functions to a Committee of this Conference to what the Conference has itself; and if you state in condition 2 that it is advisory of the Secretary of State and in condition 3 that it is a Committee of this Conference, it seems to me that the Conference itself then becomes merely advisory of the Secretary of State. I know that is not the intention, and that is why I say we do not understand exactly what this proposal would lead to.

Then what is going to be the relation of this Committee to this Conference? General Botha has discussed that matter fairly fully. Will the members of this Committee become members of this Conference; and if not, will they not have a right to complain, and say: "We prepare things and then we have not the opportunity of presenting our views to the Conference. We advise one thing and the Conference decides differently, and we have not had the opportunity of stating our views directly"? If, on the other hand, you are going to put men representing the Dominions and the United Kingdom on to this Conference, it seems to me that you are very seriously interfering with the function of this Conference, and that certainly should not be allowed. Then we have very great difficulty as regards the personnel of this Committee. If we take the High Commissioners, then we put on, along with Ministers and political men, permanent officials. As regards the United Kingdom it does not matter very much, because the Secretary of State or two Secretaries of State who are responsible to their Government would always be present and be Members of this Committee; but as regards the Dominions it would be quite different, and our only representative would be an official.

Now supposing this official is only to be the mouthpiece of his Government and not to express his own mind or his own opinion about any particular subject, what then is the good of him being there? You might as well send your information through the Secretary of State in the ordinary way, as is done now. If the representative, on the other hand, is to express his own opinion apart from the advice which he receives from his Government, then it is very possible that he will compromise his Government. Supposing he always speaks with the mind of his Government and there is a change of Government out in the Dominion and a new Government comes in and speaks with a different voice from the old Government, are you to remove your official then? Is he going to be in the same position as a Minister, or are you going to say to Jacob: "You must now speak with the voice of Esau"? So that it seems to me you must either decide between having a paid official—and then I do not see any advantage over the existing system—or you must have a Minister. If you have a Minister you say here that he must represent Canada, Australia, New Zealand, South Africa, or Newfoundland. How is he to be elected? By the Government?

Then he is the mouthpiece only of the Government and not necessarily of the whole Colony.

The Prime Minister, when he opened this Conference said that we leave party politics at the door. Very well. Still we are in our own Dominions party politicians; but regarding the fact that you have the Prime Ministers here and that this is a Prime Ministers' Conference, you expect of those men when they come here that they will take a broader view, not of their own party in their own Dominions, but of their whole country, and also of the whole Empire, and it is the broader view, and the Imperial view, which is to predominate at this table. You cannot expect that from officials, and I do not think we should give any such power to a committee such as is proposed here. As regards the personnel of it, as I say, we will have very great difficulty. You might appoint a man who is very pushful, who thinks that the Imperial Conference, with the full responsibility upon them, do not press the thing quite as strongly as it should be done, and says: "We do not look to the men who have sent us here; we are permanent officials, and we will press the thing." They might put the Imperial Conference here as well as the Governments of the Dominions in a very awkward position indeed. It is sometimes felt necessary at a Conference of this kind to pass a resolution. It is not always found advisable to give immediate effect to it. When the Conference has adjourned, they may find that more light is thrown on the subject, or, they may find by a little delay public opinion will be ripened, and as responsible Ministers, being in touch with public opinion in their own Dominions, all the Ministers here feel the importance of that. That is not the case with the official; he thinks that it should be pressed and he presses it home, and by doing so he does an immense amount of harm.

Under all those circumstances, seeing that the system we have had up to the present has worked well, so as to avoid all the difficulties I have stated, we have distinctly come to the conclusion that matters must be left as they are now. I agree with Sir Edward Morris that the day may come when we shall have to look in a different direction than our present Conference. I do not know whether that day is coming soon or is far off, but when a change does come it must be on the sound British principle of giving the people representation and getting government through representatives elected by the people, and not government by officials or government by men who nominate themselves. To a large extent we are here now because we represent only a majority in our own Dominions, but whatever we do, if an alteration is made in the future, it must be representatives elected by the people who will be responsible to the people and not otherwise.

The CHAIRMAN: Gentlemen, I need, I think, only say one word as to Mr. Malan's statement. I would like first of all to clear up the impression that the Committee is being made advisory to the Secretary of State was in some way derogatory to the position of the Dominion Governments. That was certainly not the intention. It was desirable that it should be an advisory and not an executive committee. That, I felt, was the view of all the Dominions.

Mr. MALAN: That is our view.

The CHAIRMAN: I also felt that they would be willing that it should be advisory to me, but that they would not be willing that it should be advisory to them; and therefore I offered myself up for the purpose of being advised in order to relieve them from a situation which I was sure they would not tolerate. It was entirely to meet what I believe to be their views of the situation that those words were there inserted. I have never contemplated that the people who would have formed this Committee would have ultimately been members of the Conference. I quite see the point Mr. Malan has made as to the grievance they might have suffered from not being able to take part in the final deliberations on work which they had prepared.

Mr. FISHER: I confess I do not see that point.

The CHAIRMAN: Of course on that point no complaint has arisen; but the absence of people who have done the work has arisen in Copyright and other subsidiary conferences; there was no question that they should join this Conference afterwards, and it certainly was very far from my mind to attempt any enlargement of this Conference, the composition of which has been settled by itself in the past and which I see no desire to change for the future.

Gentlemen, I think from our discussion it is quite clear that there is not sufficient unanimity for the proposal which I have put forward to make it worth my while to move any resolution on the subject. I should like the Conference to be quite clear that this offer was made by me on behalf of the Government only in order to meet what we believed to be a desire on the part of some of the Dominions. It does not represent any conscious want on the part of the Home Government. We have felt that the communications which we keep up directly with the Dominions through myself, and the continuity of work which is so admirably carried on by Mr. Just and the Secretariat of the Conference, has been sufficient for all Imperial purposes. This was only an offer to meet what we believed was a desire which we might find more widely spread when the discussion came. After this discussion I think it is quite clear that there is not unanimity of wish for a further enlargement and co-operation at present; and therefore I do not propose to go any further with the memorandum which I have circulated.

Mr. FISHER: Before you close this discussion——

Sir JOSEPH WARD: It is not closed yet, because my motion now comes forward.

The CHAIRMAN: Yes, you can take any part of your motion you wish to.

Sir JOSEPH WARD: That is the position, I think?

The CHAIRMAN: Yes.

Mr. FISHER: I should just like to ask before we pass from this, whether this negative action will not forbid also your having any monthly conferences?

The CHAIRMAN: No, I do not think so.

We also have already on record the decision of the previous Conference, which I imagine is not going to be repealed by this one: "That upon matters of importance requiring consultations between two or more Governments which cannot conveniently be postponed until the next Conference, or involving subjects of a minor character or such as call for detailed consideration, subsidiary Conferences shall be held between representatives of the Governments concerned specially chosen for the purpose."

Mr. FISHER: I do confess that I like this machinery distinctly better than that, and I can only add to what I have already said, and I think my colleagues will entirely agree with it, that this is a possible improvement of the machinery that would enable the views of the Dominions to be conveyed to you and to each other and discussed with each other, eliminating the chaff before the matter is presented to the Government, that is, during the interval between the Conferences. It is fairly set out in the memorandum that they would only act under the advice and instruction of their own Governments, but I quite recognise what you have said, Sir, that unless we can get a nearer vote it is no use proposing it.

The CHAIRMAN: Sir Joseph, do you wish to proceed with parts of your resolution?

Sir JOSEPH WARD: I desire to say a word or two in reply on the resolution I have submitted, and that will bring the discussion to a conclusion perhaps.

The CHAIRMAN: Yes.

Sir JOSEPH WARD: I have listened to the discussion with a very great deal of interest, and if the position were such as it is supposed to be by some of the gentlemen who represent their respective countries, then I am bound to say I would be in accord with them, and should be taking up a similar attitude; but there appears to me to be an extraordinary misconception in connection with the proposals as you outlined them to the Conference, the nature of which some of the Members overlook, or else I am sure they would not misrepresent it intentionally, and there is going on record a statement which is quite contrary to the procedure which is followed.

Now let me take the case which is made in this memorandum of the suggested representation of the permanent officials connected with the Home Government and of the representatives from the different countries on the Committee. At the present moment what would the procedure be? It is quite certain that that Committee would advise the Secretary of State; it is equally certain, under the proposal, that the Secretary of State would communicate with the overseas Dominions; and it is equally certain under the proposal that the Governments of the oversea Dominions retain the supreme power of decision upon any of the points referred to them; and it is equally certain that no one can prepare an agenda paper for the consideration of the Imperial Conference, at which Ministers must assemble, except the Governments themselves—the British Government, and each of the Governments of the oversea Dominions. Wherein can arise the possible consequences such as have been debated under a system which does not admit of those consequences being possible? The system of preparation of work for the Conference remains exactly as it is now, and the question as to whether there are to be allowed into this room all the representatives who form a committee of the kind, if it is established, is a matter of no consequence whatever, to my mind. I assume that the permanent officials now attached to His Majesty's Government, and who, under the direction of the Secretary of State, have a great deal to do in the preparatory work for the consideration of Members who attend the Prime Ministers' Conference—that is the Imperial Conference—would be here under the altered circumstances as they are now. Why should not a further four or five members who represent the oversea Dominions take a similar place without any loss of dignity, and certainly without any loss of prestige, and without any possibility of their being offended at what was done? I will go further and say even if they are offended at what may be done by the full Conference they ought to take their offence cheerfully, and allow us to proceed upon the lines we think right as the outcome of the valuable work prepared by them in the interim for such a Conference as this. Such preparatory work I think would be invaluable. What is the position to-day with regard to this Conference? We have already relegated a number of very important matters to the consideration of sub-committees. That has been done with a view to shortening the time of the Imperial Conference itself. If this Conference could sit here for three months I do not think there is a member now sitting at this table who will contradict me when I say that the relegation of matters which we believe to be of great importance to our respective countries to sub-committees of the Conference would not take place. In other words such matters would be discussed by all the members of the Imperial Conference itself sitting at this table. Now what is to happen if there is no system of having a bridge that can carry on the important work which we, through force of circumstances, now relegate to sub-committees?

General BOTHA: Cannot the Secretary of State do it as well?

Sir JOSEPH WARD: I am going to point out how, in my opinion, he cannot do it. However ably and however well the duties of the Secretary of State are discharged there are some matters which we are now referring for consideration to a sub-committee in order that the result may be reported to this Conference, which it would be absolutely unfair and improper to ask the Secretary of State to settle by himself with due regard to the points of view of the oversea Dominions. For instance, we have already decided to refer to sub-committees the important questions concerning trade marks, patent laws, and details connected with shipping laws, and company law, and currency, uniformity of coinage, and taxation, and death duties—matters concerning the people in our respective countries which require to be dealt with as far as possible in a uniform way. What practical position do we arrive at in connection with this important four-year Conference upon some of these matters, which cannot be said to stand out as great proposals of policy relating to any of the oversea Governments or to the Imperial Government, but which are all of vital importance to many of the people in our respective countries? What chance has the next Imperial Conference, taking place in four years from now, of doing any more than we have done at this meeting of the Imperial Conference, or than we did at the last meeting of the Imperial Conference, beyond bringing these matters up for consideration, because of the absence of machinery for the purpose?

As these are questions which vitally affect our own people in our own countries, it would be unfair and improper to ask the Secretary of State for the Colonies of the day, after we have left this Conference, to suggest to us, without our having any voice or say of any sort or kind in connection with the discussion which may take place on the details of these matters, what should be done at the next Imperial Conference. As a matter of fact, it cannot be done. In short, the value of this Imperial Conference is, to my mind, being extraordinarily minimised on account of the inability to do anything in connection with it with the existing machinery which will enable us to carry on the important work we are dealing with between men who come from over seas as representatives of their respective countries and the representatives of His Majesty's Government who attend here and are taken from their various duties from time to time for that purpose. These are matters which no secretariat can deal with—it has no power to deal with them, and it is not possible for it to deal with them, nor can the Secretary of State for the Colonies deal with them from the point of view of our respective Dominions.

There is one matter which is coming up for discussion at this Conference which has been alluded to already, and was referred to at the last Imperial Conference, and I have no hesitation in saying that it could have been dealt with if we had had a Committee appointed for the purpose, as outlined in condition 3 of Mr. Harcourt's proposal: "Being a Committee of the Imperial Conference, it must deal only with matters which concern the past Conference or have to do with the preparations for the approaching one, or for any other matters which seem to be appropriate questions between both." Now take the important matter of navigation and shipping, which is going to be referred to at this Conference. That is a matter which is of supreme importance to most of the oversea Dominions—certainly it is to Australia and to South Africa, and to New Zealand, and I do not know to what extent it may be important to Canada, as I am not sufficiently cognisant of the position there to even indirectly suggest whether it is important or not important to them; but if there had been such a committee existing between the last Imperial Conference and the present one, I, as the head of the Administration in New Zealand, would certainly have been in communication with the Secretary of State for the Colonies and with whoever was our representative upon that Committee for the purpose of giving effect to the suggestion contained in No. 3 of Mr. Harcourt's proposal, in order to impress from time to time upon all the other representatives who formed that organisation the absolutely extraordinary position which our oversea countries are

placed in in connection with the Suez Canal, and I would have asked that the matter should be considered. I should not have rested content to allow it to wait in order to be brought up again in four years' time. If we do not arrive at a decision upon it at this Conference it stands over until the next if you negative these proposals, and we shall be in the position of going away leaving this very important matter in abeyance for another four years. That is why I say that upon these important matters which are vital to the development of our overseas trade and vital to the people of our respective countries we ought not to be content with affirming resolutions and sending some of them on to sub-committees to deal with, because upon their reports it is impossible for us, within the limits of time at the disposal of the Conference, to shape them into anything like practical form upon which we can unitedly, in our respective countries, legislate. Are we to deliberately continue to be in that most unsatisfactory position at the end of each four-yearly period?

I know the British Government cannot alter the Suez Canal dues of their own act, and I have made that clear whenever I have spoken upon the subject anywhere. I know what the position is; but still, as we are co-operating with the British Government in trying to obtain uniformity and trying to improve the position of the oversea Dominions, I am a great believer in pressing for a change in the undesirable position of things in regard to the Suez Canal which is so important to our people in New Zealand, as it is also to the people of Australia. It is so important to us because we cannot to a large extent make use of that canal for a very large portion of our shipping, on account of the very unsatisfactory condition of things existing there, and our people look upon it as a gross hardship. I say upon such a matter, if there had been machinery in existence I certainly, as head of the Government of New Zealand, would have asked our representative here to have had a meeting of that Committee called in order to deal with that matter among others. I would also from time to time have urged that the important matter which was brought before the Chancellor of the Exchequer the other day, namely, the question of double taxation, should be dealt with. That is a matter which presses upon the people in England and the people in New Zealand—one man paying double taxation on the one income.

For instance, a British resident, belonging to the British Empire, may have to pay double taxation upon one income because of the condition of the laws in our country and in this country and in the other Dominions too. There is no doubt about the desirability of having an assimilation of taxation if such a thing can be brought about. That a matter which I, as the Representative of New Zealand, brought before the then Chancellor of the Exchequer four years ago, but we are to-day in exactly the same position as we were in then. I think there are difficulties in the way of it being assented to now, and I am not taking exception to that—far from it—but it is a point which crops up in our country repeatedly in the case of residents from Great Britain who are out there. I want to be in a position not of imposing an impossible duty upon the Secretary of State for the time being, but of doing what the representatives of the Homeland and of New Zealand may deem desirable, meeting in committee, for the purpose of advising the Secretary of State, the Secretary of State in turn informing the Governments of the respective oversea Dominions, and then those Governments, as an outcome of the discussion which had taken place at the meeting of the Committee with their representatives upon it, considering the whole matter and saying whether it is possible for them to do anything, without waiting for another four years to pass in order to agree to some uniform course.

General BOTHA: What I cannot follow from Sir Joseph Ward's argument is this: Why cannot you have the same thing done now without that Committee? What hinders you here to-day from having a meeting between the Government here

and your representative in this country, and talking the matter over exactly as you want to talk it over at a meeting of this Committee.

Sir JOSEPH WARD: If it was only a matter affecting South Africa or New Zealand by themselves as oversea Dominions, I admit the force of General Botha's observation. In an informal consultation between the Secretary of State for the Colonies and the High Commissioner upon a matter which is pertinent to one country alone, you can have a settlement which is satisfactory to that country and to the Home Government; but if it is a matter which is of importance not only to one oversea Dominion and the Home Government, but of equal importance, say, to New Zealand, Australia, and Canada, South Africa and Newfoundland, then how can we individually act upon any matter upon which a decision is not arrived at which is satisfactory to one Dominion only. If we want to go in for co-ordination as far as our laws are concerned we could not do it in that way.

General BOTHA: But the Committee which has been proposed is purely advisory, and I do not see how they can be of greater service to you in getting uniformity than the present machinery.

Mr. BATCHELOR: There is no machinery now at all.

Sir D. DE VILLIERS GRAAFF: Yes; there is the Secretariat of this Conference.

Sir JOSEPH WARD: Take the case of death duties, which is another important matter, and which is of consequence to the people in South Africa, in Canada, in New Zealand, in Australia, and also in England.

Sir D. DE VILLIERS GRAAFF: It does affect us very much.

Sir JOSEPH WARD: I do not know whether you have death duties or not in your country.

Sir D. DE VILLIERS GRAAFF: We have them in part of the Dominion.

Sir JOSEPH WARD: How can it be expected that in an informal way the Secretary of State for the Colonies conferring with the High Commissioner of your country can bring about anything like uniformity without legislation?

Sir D. DE VILLIERS GRAAFF: That is a point which is going to be discussed further on some later day. That very matter is on the Agenda.

Sir JOSEPH WARD: Yes, but after that is discussed, in my judgment little can be done, knowing as I do the intricacy and the difficulties and the complexity of the position from the standpoint of individuals in our respective countries, the whole matter being made perhaps more difficult by one trying to co-ordinate between the old country and the newer countries. So that I fail to see how we can have anything in the shape of matter ripe for legislation in any of our countries without the details being fully gone into here in London. Who is going to do it? You have no piece of machinery in existence to-day that can touch it. It will be observed that it is only such matters are to be dealt with by the proposed Standing Committee of the Imperial Conference as are referred to it by the unanimous consent of the Imperial Conference. So at the very inception of a proposal of this kind any one representative from any one of the countries can stop the reference to the Committee, and stop the consideration of it. You can make it a condition that it should be so. Therefore if there is any point in the suggestion that there might be some interference with the administration of the respective Dominions by the constitution of such a Standing Committee, which I myself cannot see, it is met by that part of the proposal to which I have referred.

General BOTHA: Cannot such a thing as that be settled by a subsidiary conference?

Sir JOSEPH WARD: With regard to what has been said about a subsidiary conference, I may say I have listened to the remarks made by Sir Edward Morris with a very great deal of attention. In practice what is the fact? Sir Edward Morris can arrive in England from his country within 10 days. As a matter of fact, a question which had been troubling his country for years was not settled until quite recently, when he found it necessary to visit England a year ago; and to his credit and to the credit of the British Government a settlement was arrived at on that important matter. On the other hand a representative of New Zealand or of Australia wanting to come to this country for the purpose of consultation could not leave their respective places with any hope of being able to carry out anything except by providing for an absence of about six months—in practice it is impossible to consider it with such a lapse of time.

Mr. BATCHELOR: The voyage takes at least three months.

Sir JOSEPH WARD: Canada is in the same happy position as Newfoundland —it is within a week of England. South Africa is in an equally happy position, because it is within a 14 days' journey of England.

General BOTHA: No, 17 days.

Sir JOSEPH WARD: The journey is going to be shortened.

General BOTHA: Perhaps the journey to New Zealand will be also.

Sir JOSEPH WARD: We are only in the position of being able to get here now every four years. Even for the Imperial Conference every four years it is very difficult for the Ministerial representatives to come over here from our country. In the interval between the meetings of the Imperial Conference the practical work we want to see threshed out may never arrive on the Statute Book. We want to see an opportunity given for the necessary details to be threshed out and discussed by someone representing our countries in touch with the administration, so that the Secretary of State may be advised with the view of uniformity being agreed to, and then, in turn, the Secretary of State for the Colonies will inform the oversea Dominions, and each of the oversea Dominions will still hold its power and right to say aye or no to any proposal. As a matter of fact, if we were not in that position how could we expect to be able to make an attempt to legislate upon matters which are of considerable importance to the whole of us, leading in the direction of uniformity?

When we go away from this Conference I undertake to say that the most brilliant man you could find in any of our countries could not be asked to put into shape legislation for circulating, amongst the different countries we represent, with any hope of having that legislation put upon the Statute Book without all the details being threshed out by some important committee beforehand. We ought to have skeleton legislation of that sort fashioned into a concrete piece of work in order to do what is required for all the Dominions, and that is why I hold very strong views about the absence of machinery for the purpose. I am not saying this because the work at present is not well done by the Secretariat, or that the best and closest attention is not given to the oversea Dominions by the Secretary of State for the Colonies, and by the Department, because it is. I am not putting it forward because of any supposition of that kind, but I know there is no machinery in operation that is going to help New Zealand or the Government of Australia, or, in my opinion, the other Governments, to carry on this work which we come here to promote to a point at

which we can take it up intelligently four years hence and have it pushed forward with a view to legislation.

One of the arguments of Sir Edward Morris I most heartily endorse. He argued that only important constitutional questions could probably be settled under existing conditions as far as a resolution of this Conference is concerned. That is my opinion also. I agree with Sir Edward Morris that that is the case, except in regard to matters of detail work required for carrying on the decisions of the Conference. I stated distinctly, when I was dealing with the proposition with regard to an Imperial Council, that in the absence of some such machinery, or some such organization, there was, in my opinion, no machinery in existence at present that can do other than he has said. I concur in that; and the difficulty presents itself to us all the time. General Botha says he wants closer union, and I know he does, and I agree with him. He says he wants a Minister to represent his country upon the Conference. I agree also. If so, why should he or I object to the representatives of the people through the Governments giving effect to what is unanimously referred to such a committee by the Imperial Conference?

The Dominion Governments through their Ministers come here every four years. Logically, this takes him and me back to this position: after all, the representatives of the people, through their Governments, are to be upon the Committee, where they will be in a minority and not in a majority, according to the proposals contained in the Secretary of State's memorandum, which provides for the permanent officials connected with the different Departments here being upon it. Then where is the fear of a committee of this kind being, in some incipient way, a precedent for the establishment of an Imperial Council. As a matter of fact, if that other proposal is ever to be given practical effect to, which I believe it will be, it can only be done by the public of our respective countries supporting it; and it cannot be anticipated or prejudiced by anything which we are doing here. Nothing is proposed here but advisory power being given to such a Committee. Nothing is given to it in the shape of initiative in any way, and the Committee will have no power of action. All the powers rest entirely with the Governments represented at this Imperial Conference.

I should exceedingly regret anything being done in a matter of this kind which would prevent a bridge being formed between one Conference and the next. I say that with all deference to the opinion of other gentlemen who have spoken, and I do not think anyone can prevent it under the existing system, which means doing comparatively nothing between the Conferences upon material points which we, by our action here, say ought to be put in a position for mutual effort in order to gain such uniformity as we can in the general interests of the people of the different countries we represent. As far as my judgment is concerned, I think Sir Edward Morris is perfectly right in the summing up which he gave from a different standpoint to the way in which I am stating it now. If we are going to be in a position, through the absence of machinery, of not being able to give effect to a number of proposals upon the agenda (some of which are sure to be assented to and some of which have already been assented to), what is going to be the use of an Imperial Conference at all? As a matter of fact we could with equal advantage meet here at a greater interval than four years, and limit the whole operation of the Imperial Conference to one or two or three overriding matters and devote ourselves to the discussion of those with a view to arriving at a decision concerning them.

If we had such a proposed Committee we could refer to it all these matters and give the Committee no power of voicing the views of our Governments, but simply power to advise the Secretary of State, who would, as suggested in the memorandum, refer the matter to the different Governments for their consideration. If we were not going to have some practical work upon those lines it would be far better, instead of having an agenda paper containing matters of material consequence to our people, to say that certain things are not to be brought up here at all, because I, for one, have

the strongest objection to coming here and taking part in a discussion in connection with important matters and then having them, through the absence of machinery put aside for four years, and brought up again in just the same position for consideration when we come back four years afterwards. A number of matters on this present agenda paper were dealt with four years ago, and we are in exactly the same position now and shall be in the same position four years hence if we provide no machinery now when we come then to consider them.

If our policy is to be one of inanition, doing nothing on account of the absence of machinery regarding these matters, I think the sooner we make up our minds that it is so the better, and then we can apply ourselves to the things that we can deal with in our Parliaments, or as matters of policy with respect to portions of the Empire. I do not want in the slightest degree to press upon the Conference proposals that are not unanimously agreed to. As far as I understand it, the Conference are opposed to Mr. Harcourt's amended proposal, which was a suggestion coming out from a proposition I gave notice of. I have not the slightest desire to put any one member of the Conference in the position of doing anything but express his opinion of the proposal. Personally, I think it could be fashioned into a useful form, and would help to make this Imperial Conference certainly much more potent for good for all parts of our Dominions than it is under the existing system.

The CHAIRMAN: I have only one word or two to say. First, in answer to Sir Joseph Ward's observations I should like to put in a *caveat* against the idea that certain portions of the work of the Conference have been referred to committees owing to want of time. I really do not think such references arise from want of time, because the Conference has been extremely generous in the time it is willing to give to the discussions. We have found it willing to sit in the afternoon of any day when it was necessary. I think these particular questions have been selected for committee work and for individual consultation, partly on account of their being very complex and technical matters, and partly because in some cases they affect only a single Dominion, so that discussion between the head of one of the departments of the State and the representatves of a particular Dominion really attains, or is likely to attain, more solid results than a loose discussion of very technical subjects round the table.

Sir JOSEPH WARD: That is not what I meant by what I said. I agree with the view you express, but that does not get over the difficulty that I have pointed out.

The CHAIRMAN: I will undertake to Sir Joseph Ward and to the Conference to give effect between now and the next Conference—or as long as I am at the Colonial Office—to all agreed questions which may be decided upon by the Conference or by any of its committees. Where, of course, there is acute difference of opinion between the Dominions as to any proposed settlement, I am only human, and until I get an agreement I cannot carry it out; but so far as I can get any agreement at the Conference, or at any Committee of the Conference, on any question raised, I can pledge the Conference that I will see it carried out through the Secretariat and in communication with the Dominion Governments.

Mr. BATCHELOR: Can you tell me whether there has been any effect yet given to the unanimous resolutions of the Conference at different times? Has any resolution ever resulted in any legislation? Has anything happened as a result of a unanimous resolution of this Conference?

The CHAIRMAN: I believe so.

Mr. BATCHELOR: The sort of thing I refer to is this. In 1902, I think, the advantages of naturalization and uniformity in certain respects in regard to natural-

ization were discussed. In 1907 it was unanimously agreed to. There was no kind of machinery by which that matter could be discussed between one Dominion and another, and in the result nothing happened, I believe?

Sir WILFRID LAURIER: It is a matter for legislation, and not for resolution.

Mr. BATCHELOR: There was a Bill prepared and submitted to all the self-governing Dominions, and observations were called for on that Bill. There was no opportunity at all for consultation in any way between the Dominions, and, I think wholly as the result of misunderstanding of some of the objections raised, nothing at all has been done with regard to it. Has anything been done in the case of any other of the resolutions which have been come to by the Conference?*

The Chairman: I think the resolution about naturalization is a very good illustration of the difficulties of what are called agreed resolutions. A perfectly general resolution on naturalization was agreed at a previous Conference, but the moment the individual Dominions were consulted† the most acute differences manifested themselves. I have been labouring at it myself for six months, and my predecessors have laboured for a much longer period, and it has been absolutely impossible to come to agreement.

Sir JOSEPH WARD: That is exactly what I say.

The CHAIRMAN: It has been absolutely impossible to get any unanimity at all on the question of naturalization.

Mr. BATCHELOR: It is due, I think, to the want of machinery on the point.

Sir JOSEPH WARD: It is due, in my opinion, to a complete absence of being able to go into the details required as a precedent to combined action by the oversea countries. Without such details legislation cannot be expected. We cannot agree upon uniformity once we get away from here.

Sir WILFRID LAURIER: The question of naturalization being complicated by the question of colour, the Conference cannot carry on upon details when they are not agreed upon principles.

Sir JOSEPH WARD: In my statement about delays I should like to make it quite clear that I was not in any way intending to reflect upon the procedure of this Conference. On the contrary, I recognize that under the existing system it is the only sensible procedure that could be adopted. What I was endeavouring to make clear, and which I evidently failed to do, was, that when those Committees report to this Conference on the detail work required on each matter we send to them, the Imperial Conference could take up that work to see what is required to be done by the respective Governments. I fully recognize the difficulty with regard to uniformity in relation to naturalization when you have the colour question, which in my opinion in our respective countries make it almost impossible to have uniformity in such law; but if we had a committee sitting here the Government of New Zealand and the Government of Canada, and the Government of South Africa, and the Government of Australia would have sent their views on the subject to their representative. We each should have seen the views of the other, and might be enabled to have some elastic system put into operation upon which we could all legislate. What is the use, after we all get back to our respective countries, for the New Zealand Government to sit down and suggest some line of procedure by way of a Bill on which they want the consideration of the other countries.

---

* [Cd. 5273.] † *See* [Cd. 5273], pp. 138-157.

Mr. BATCHELOR: We do not know the position in other countries on this question.

The CHAIRMAN: Naturalization is a matter we are going to take on Tuesday next when the Home Secretary will be here, and I hope we may be able to strike out some line of agreement—not of uniformity, because I am hopeless of that.

Mr. BATCHELOR: You cannot get uniformity, but you might get similarity.

General BOTHA: I have only to add that I do not like this proposal.

The CHAIRMAN: I have withdrawn my proposal.

Sir JOSEPH WARD: And I withdraw mine.

General BOTHA: I think it is essential that the Secretary of State should consult from time to time the High Commissioners, but, as I have already said, after what the Chairman has stated to-day I am quite satisfied that that will be done in future. With regard to anything that takes place here, I think when we pass a resolution there is no better machinery, because you have the Dominion machinery to assist you in carrying out whatever happened here. If we cannot get a resolution about any particular matter passed at this Conference no committee appointed by us outside this Conference will be of any value in bringing about uniformity on that subject.

Mr. BATCHELOR: But if you have it you can get it.

General BOTHA: If we have it we can get it without any committee. I voted for that Naturalization Resolution, and after studying the whole question it was laid before my Government, and we unanimously decided against it, and informed the Secretary of State to that effect. If, in the meantime, we had had a committee here, could they, by their decision, bind me and my Government out in South Africa on this question?

Sir JOSEPH WARD: Certainly not.

General BOTHA: Certainly not. Therefore what is the need of this Committee? After all it is the Governments that are responsible in the Dominions to pass legislation, and we must look to the Governments to support us, and not the Committee which is sitting here. No Dominion will stand being ruled by any committee or being interfered with by any committee sitting over here. That is my point. I want the Dominions to be consulted, not the committees.

Sir JOSEPH WARD: So do I; that is what the proposal says.

General BOTHA: We meet here as Prime Ministers and as Ministers responsible for large portions of the British Empire. Sentiment and mutual interest bring us here together. Now it is sought to create Committees. In creating these committees we might take a false step which might lead rather to breaking down than to build-up, and to remain builders up of the Empire, we must not take hasty steps. We up, and to remain builders up of the Empire, we must not take hastey steps. We meet here and come together, not only to pass resolutions on small and minor things, but to discuss the more important work relating to the British Empire. We have now seen what has happened. The British Government has now taken the Prime Ministers into their confidence fully on all subjects, and I say that is a step in the right direction. Along those lines we can build it up; but if the British Government must consult a Committee of officials here on those things, how will it help us? Must those things also be discussed with that Committee? No. Therefore, I say let us stick to the work as we have gone on. It is slow work, but it is sure work.

Let us go slowly and we will build up better than otherwise. I cannot for one moment see in what this Committee, or how this Committee, is going to assist us. It is a very easy thing to create bodies; but if it does not prove to be a practical body it becomes a nuisance afterwards and then difficult to do away with. If it is not practical it becomes a complete failure, and by that time it has perhaps done such a lot of harm that it will injure the cause of the Conference entirely. Therefore I sincerely hope my friend, Sir Joseph Ward, will understand that I do not take a hostile attitude towards him, but it is a difference of opinion. I only differ from him on the method and I think our ideal is the same—he wants it done through a committee, while I cannot see how this Committee is going to assist us.

Sir JOSEPH WARD: The difference between General Botha and myself upon the question of the Committee is that if the Committee had the power of decision, which he appears to think it has, I would be with him up to the hilt. This proposed Committee has no power of decision, but only the power of preparing preliminaries for the purpose of advising the Secretary of State, the matter by him being referred to our respective Governments, and we accepting it or rejecting it as we think best.

Mr. BATCHELOR: Like the matters dealt with by the Secretariat.

Sir JOSEPH WARD: My opinion is that in the four years between the Conferences the Secretariat cannot do much unless there is some machinery for carrying on the work of the Conference.

The CHAIRMAN: I think this has been a useful and informative discussion which we have had upon the subject. I have no motion to withdraw, because I did not move one, but I understand Sir Joseph Ward does not now wish to press his resolution after the discussion that we have had.

Sir JOSEPH WARD: That is so.

The CHAIRMAN: Perhaps, however, the memorandum which I have circulated had better go on record.

> "That it is desirable that all matters relating to self-governing Dominions, as well as permanent Secretariat of the Imperial Conference, be placed directly under the Prime Minister of the United Kingdom."

General BOTHA: The resolution of the Government of South Africa is withdrawn now.

The CHAIRMAN: After what the Prime Minister said the other day about it being impossible for him to accede to it, you would like to withdraw your resolution?

General BOTHA: Yes.

Interchange of Civil Servants.

> "That it is in the interest of the Imperial Government, and also of the Governments of the Overseas Dominions, that an interchange of selected officers of the respective Civil Services should take place from time to time, with a view to the acquirement of better knowledge for both services with regard to questions that may arise affecting the respective Governments."

The CHAIRMAN: We will take now the resolution proposed by the Government of New Zealand as to the interchange of civil servants.

Sir JOSEPH WARD: In submitting this resolution I would like to say that in my opinion it would be well if we could have, as far as the oversea Dominions are

concerned, a system of interchange of civil servants similar to what has been established in connection with the defence system of the Empire. I believe it would work out in all our countries very well indeed. I think a knowledge by some of the important offices in the Old World of the matters in operation in the New World, and in turn a knowledge by men in the oversea countries of the system that is in operation in the Old World, would be invaluable for the respective Administrations, and the permanent executive officers, the heads of departments, would find in many ways great value as an outcome of such an interchange upon lines somewhat similar —though I do not pin myself to exact details—to what I suggest here. I think it would be of very great importance if some Treasury officers from our country could exchange for a few months with a Treasury officer in England, each country paying the expenses of its own officers so as not to have any charge put upon the other country. So in connection with the various other Services in our countries, I believe if we could have an interchange, not for long periods but for short periods, of executive officers from time to time, it might be desirable and might act in the direction of smoother working of the machinery of Government of our respective countries, and certainly would, with regard to questions which crop up from time to time be of great assistance to the oversea countries.

I have had a fairly long experience of ministerial life, and I know that many matters have cropped up where a little knowledge on the part of some of the officers in our country would have avoided delay, and in some cases perhaps have saved not the best decision being arrived at as far as concerns the countries over the seas. An interchange has been arranged upon quite good lines in connection with defence matters as between the Home Government and the oversea Governments, and has, in my opinion, done an immense amount of good already; it has caused a number of men to believe that they are getting the benefit of the system which has been brought into existence in this Old Country together with the great experience of the men who have been at the head of the armed forces here. Speaking for New Zealand I know it gives the very greatest confidence and satisfaction indeed. In my opinion, if the respective Governments from time to time desire to give effect to an interchange of civil servants upon the lines I have indicated I believe in the various departments it would have an equally good effect, and would certainly be very useful for administration purposes.

Mr. BATCHELOR: You mean an exchange of officers in the Public Services?

Sir JOSEPH WARD: Yes, the Public Services.

The CHAIRMAN: I entirely sympathise with Sir Joseph Ward's wish—I will not use the word "interchange"—for greater knowledge of administration work at home by the Dominions, and in the Dominions by our own services. There are very great difficulties in the way of making a formal interchange—difficulties as to pension, salary, status, and other things, would arise—but I think we may be able to overcome the occasional ignorance of one another's affairs by doing something not so formal as an actual interchange. For instance, if there were an interchange between the Post Office in Australia and the Post Office in London there would be likely to be little gain to either. We, with a very large population greatly concentrated, have necessarily a totally different postal service to that of Australia. We can learn probably nothing from Australia; nor could Australia learn anything useful from us in such a matter as that. But I should be very happy to arrange—I have authority for saying that I could arrange—with the Board of Trade and other Departments of the British Government, that if representatives were sent over from the Dominions and were attached for a time to your High Commissioners' Offices, they could be given full facilities to be taken into any Department they wished to see, and given two or three months' work in one or even more Departments. I would make individual arangements which I think would be far better than allocating an individual

say for a whole year to a single Department which might not be of the slightest use to him on his return.

Then there is the question of what we should do ourselves in keeping our staff better informed as to life and policy in the Dominions. It is not now a question of the administration work in the Dominions for guiding better the Secretary of State at home. What comes before him in regard to the Dominions are as a rule questions of high policy, and not of internal administration, which is your own affair. I have made special efforts—and my predecessors have too—in order that the staff of the Colonial Office shall by degrees acquire greater knowledge at first hand of the general work of government in the Dominions. Mr. Malcolm, who belongs to the staff of the Colonial Office, is now serving with Lord Grey in Canada, and he was previously with Lord Selbourne in South Africa; he will return to the Colonial Office with an intimate knowledge of the system of government in both those Dominions. Mr. Griffin, a member of the Colonial Office, is now serving with Lord Gladstone in South Africa, specially for the work of the Protectorates. I am just releasing Mr. Vernon, of the Colonial Office, to go with Lord Denman to Australia, as his secretary. All this is primarily, or partly, for the assistance of the persons to whom they are attached, but largely in order that we shall have the value of their knowledge when they return to the Colonial Office after having done two or three years' service, or whatever it may be.

I need only further allude to the visit paid by Mr. Just to Canada and previously to South Africa, and the visit paid by Sir Charles Lucas to Australia and New Zealand. Those are all examples of the way in which we are endeavouring to keep permanent civil servants here in touch with the actual work of the Dominions, and to get detailed knowledge of general policy though not of actual administration. If there are any other ways which can be suggested in which we can enlarge that knowledge, and especially any method by which we can afford facilities to any of your public servants or permanent officials to acquire knowledge of any of our Departments here, I shall be delighted to carry them out. I merely suggest to you that the best method of doing it is not to try and effect an exchange, which would be difficult, but rather to attach a man to your High Commissioner's office and let me secure facilities for his entrance to any Department.

Sir WILFRID LAURIER: The idea involved in the proposal of Sir Joseph Ward seems to me a most excellent one, and, for my part, I absolutely approve of it. It might perhaps be improved in the manner in which it should be applied, but as far as the idea itself is concerned I heartily agree with Sir Joseph Ward.

Mr. BATCHELOR: I do not think anything further than has been outlined by Mr. Harcourt is practicable, or could be of very much advantage. I think that covers pretty well all the kind of interchange that would be of service at the present time. With regard to my own Department, we have an exchange of officers between the High Commissioner's office and the Department in order to keep them properly in touch. If, at the same time, facilities are given so that anyone who is attached to the High Commissioner's office may serve or see everything in any of the Home Departments, I do not think anything further could be done, because I think that would meet all that Sir Joseph Ward desires.

Sir JOSEPH WARD: I will insert the word "visits" instead of "an interchange."

Mr. BATCHELOR: Such visits are wholly desirable.

The CHAIRMAN: You think that would meet the point?

Sir JOSEPH WARD: Yes, I think so.

General BOTHA: Yes, I agree with it now as amended.

Sir EDWARD MORRIS: I entirely agree with it now.

The CHAIRMAN: I suggest leaving out the words "that may arise" in the last line, and let it read "with regard to questions affecting the respective Governments"—I think that is better wording.

Sir JOSEPH WARD: I concur.

The CHAIRMAN: Then I may take it that this resolution is unanimously agreed to, with Sir Joseph Ward's amendment.

[AGREED.]

The CHAIRMAN: That closes our business for to-day. To-morrow the question of emigration is to be dealt with, and Mr. John Burns will attend and speak to the Conference on the subject.

Adjourned to to-morrow morning at 11 o'clock.

SIXTH DAY.

Friday, 9th June, 1911.

The Imperial Conference met at the Foreign Office at 11 a.m.

PRESENT:

The Right Honourable L. Harcourt, M.P., Secretary of State for the Colonies (in the Chair).

The Right Honourable John Burns, M.P., President of the Local Government Board.

Canada—

The Right Honourable Sir Wilfrid Laurier, G.C.M.G., Prime Minister of the Dominion.

The Honourable L. P. Brodeur, K.C., Minister of Marine and Fisheries.

Australia—

The Honourable A. Fisher, Prime Minister of the Commonwealth.

The Honourable E. L. Batchelor, Minister of External Affairs.

The Honourable G. F. Pearce, Minister of Defence.

New Zealand—

The Right Honourable Sir Joseph G. Ward, K.C.M.G., Prime Minister of the Dominion.

The Honourable J. G. Findlay, K.C., LL.D., Attorney-General and Minister of Justice.

Union of South Africa—

The Honourable F. S. Malan, Minister of Education.

The Honourable Sir David de Villiers Graaff, Bart., Minister of Public Works, Posts and Telegraphs.

Newfoundland—

The Honourable Sir E. P. Morris, K.C., Prime Minister.

The Honourable R. Watson, Colonial Secretary.

Mr. H. W. Just, C.B., C.M.G., Secretary to the Conference.

Mr. W. A. Robinson, Senior Assistant Secretary.

Mr. A. B. Keith, D.C.L., Junior Assistant Secretary.

There were also present:

Lord Lucas, Parliamentary Under Secretary of State for the Colonies.

J. H. Lewis, Esq., M.P., Parliamentary Secretary to the Local Government Board;

Sir Francis Hopwood, C.M.G., K.C.B., Permanent Under Secretary of State for the Colonies;

Sir C. P. Lucas, K.C.M.G., C.B., Assistant Under Secretary of State for the Colonies;

Mr. H. Lambert, C.B., Colonial Office;

Mr. F. G. A. Butler, Chairman of the Managing Committee of the Emigrants' Information Office;

Mr. Atlee A. Hunt, C.M.G., Secretary to the Department of External Affairs, Commonwealth of Australia;

Mr. J. R. Leisk, Secretary for Finance, Union of South Africa; and

Private Secretaries to Members of the Conference.

Emigration.

"That the Resolution of the Conference of 1907, which was in the following terms, be re-affirmed:—

"That it is desirable to encourage British emigrants to proceed to British Colonies rather than foreign countries."

"That the Imperial Government be requested to co-operate with any Colonies desiring immigrants in assisting suitable persons to emigrate."

"That the Secretary of State for the Colonies be requested to nominate representatives of the Dominions to the Committee of the Emigrants' Information Office."

Mr. FISHER: I have formally to move the resolution, and Mr. Batchelor will speak to it.

Mr. BATCHELOR: The resolution asks the Conference to re-affirm the resolution of the Conference of 1907, which was in the following terms:—"That it is desirable to encourage British emigrants to proceed to British Colonies rather than foreign countries; that the Imperial Government be requested to co-operate with any Colonies desiring immigrants in assisting suitable persons to emigrate"—and then in addition we propose to add: "That the Secretary of State for the Colonies be requested to nominate representatives of the Dominions to the Committee of the Emigrants' Information Office." Of course every member of the Conference will, I think, agree without any discussion that it is desirable that the encouragement of emigration within the Empire should be the duty of all parts of the Empire. We are drawing upon the Mother country for the supply of our population, and so are other nations. The United States, of the foreign countries, is the one nation that is drawing any considerable population from the United Kingdom. We feel that the Mother Country will not be able permanently, for all time, to supply us with the very large percentage of emigrants it is doing to-day—I am speaking generally, and not as to Australia alone—and we feel specially anxious that as large a number of those who depart from the United Kingdom, of our own race acquainted with our methods of government, and the most suitable of all persons to build up the British Empire, should be kept within the Empire as far as possible. I do not think I need argue that any further, because it goes without saying. What I would like to know is, whether any action at all has been taken on the part of the Secretary of State or on the part of the Department—the Local Government Board—to carry out the resolution of the last Conference. A resolution in similar terms was proposed then, and we should be glad if the President of the Local Government Board would mention if anything has been done. The only new matter in the present resolution is the nomination representatives of the Dominions to the Committee of the

Emigrants' Information Office. It was felt, upon a perusal of the Debates of the last Conference, that there appeared to be some lack of very precise information at the Emigrants' Information Office, and, therefore, it might be desirable if some representatives of the Dominions were nominated as members in order that more complete and up-to-date information should always be at hand in the office of the Board. I want to say that we have no complaint to make since the last Conference as regards the information that is supplied to emigrants; but it is considered that it would be an advantage if there were some representatives of the Dominions on the Board. I do not think there is anything further I need refer to.

Sir JOSEPH WARD: I desire to say that my views upon this question are similar to those I expressed to the Conference in 1907. We are not in favour of a wholesale system of emigration to New Zealand. We want to absorb those who are coming, and we wish, as far as it is possible, to have only those from Great Britain coming to New Zealand—naturally so. We apply an examination test to everyone coming to our country except to those coming from Great Britain. Our system of administration is a very strict one in the direction which I have just indicated, because we are especially desirous of preventing aliens coming to our country.

The CHAIRMAN: You say you apply a test, "except to those coming from Great Britain"?

Sir JOSEPH WARD: Yes.

The CHAIRMAN: You mean those coming as British subjects.

Sir JOSEPH WARD: Those coming as British subjects.

The CHAIRMAN: Would aliens coming from Great Britain be subject to this test?

Sir JOSEPH WARD: Yes; the aliens coming from Great Britain or elsewhere would be subject to our tests, as Asiatics are. We get just about as many people as we can reasonably absorb. We go upon the principle of seeing them placed in positions where they can make their living and earn their way as they come to the country.

As far as I am concerned I have nothing to add to what I stated at the last Conference. My views are put on record at the last Conference in 1907, and I have seen no reason to change them since.

Mr. MALAN: I regret that General Botha is not well enough to attend the sitting of the Conference this morning, but I may say on behalf of the Union of South Africa, that we have no objection to this resolution.

Sir EDWARD MORRIS: I am in favour of the resolution.

Sir JOSEPH WARD: It is understood that I am in favour of the resolution.

Mr. BURNS: Mr. Harcourt and gentlemen, the resolution submitted to the Conference this morning is in some respects a replica of that submitted to the Conference in 1907; and, perhaps it would be for the convenience of the Conference if I were briefly to say, as I now do, that since the last Conference the object of the first portion of the present resolution has, to a very great extent, been secured by events that have transpired since 1907. It perhaps would also help the Conference if I were to say that in 1906 the volume of emigration from the Mother Country to all countries was 194,671. Of that number the British Dominions and the British Empire took 105,178 or 54 per cent of the total. In 1910, the volume of emigration had grown from 194,671 to all countries, to 233,944, and of those, 159,074 or 68 per

cent went to the British Empire as against 54 per cent in 1906. In the intervening four years, Canada's immigration from the Mother Country had grown from 47 to 49 per cent, whilst the United States of America (to which Mr. Batchelor has referred), which used to take a very large percentage of the total emigration, dropped in the same period from 44 per cent to 31 per cent. But in 1911—that is in the first four months in this present year—there is an increase over 1910 (which was a very good year) of 23,000, or 29 per cent over the four months of 1910, and the British Empire has taken the whole of this increase; that is, in the first four months of 1911, there is an increase of 47 per cent over 1910 to the British Empire.

Mr. FISHER: Will you show the figures for each country?

Mr. BURNS: Yes, I will do that directly. May I put this with regard to Australia? I have circulated a memorandum, which I commend for the close perusal of the Conference, where you will see set out the total emigration to all countries and to the British Empire, with some of the Dominions particularly mentioned. Now, of the total increase of 47 per cent over 1910 to the British Empire, Australia and New Zealand show an increase of 133 per cent in 1911 over 1910, or 10,000 more people in the four months of 1911 went to Australia and New Zealand than in a similar period in 1910. That brings me to a very important point, and it is this. If the increase on 1910 developed by 1911 is continued, the total emigration during 1911 from the Mother Country to all countries will be 300,000 people, and we estimate that 230,000 will go to the British Empire and 70,000 to foreign countries, that is to say, 77 to 80 per cent of the total emigration from the Mother Country to all countries will go to the British Empire this year.

It is interesting for us to remember that in 1911, when the percentage of total emigration to the British Empire will be from 77 to 80 per cent, it will only leave 20 per cent for foreign countries, and this is best illustrated, perhaps, if I give the 10 years. In 1900, 33 per cent of the total emigration went to the British Empire and 67 per cent to foreign countries; in 1910, 68 per cent went to the British Empire and 32 per cent to foreign countries; in 1911, 80 per cent will go to Dominions beyond the seas and not more than 20 per cent to foreign countries. So you see that in 10 years the stream of emigration has been diverted from foreign countries to the Empire, which is something which I presume this Conference will be quite content with; and if I may say so, it is a justification of the excellent improving and increasing work in the right direction which has been carried on by our now admirably organized Emigration Department here. It is only right for me to say, having perused some of the statements on this subject by Dominion statesmen and Premiers, that coincident with the quantity and volume having increased, it is generally admitted that the quality of the emigrants to all parts of the British Empire has been better in the last two or three years than it has been in any two or three years of the last 15 or 20 years.

The other point I want to put to the Conference is this: 300,000 emigrants in 1911 means 60 per cent of the natural increase of the population of the United Kingdoms by births, over deaths. That is a very large contribution to external territories, and it will be interesting to have on record how emigration to the Dominions and other countries has absorbed, as the years go on, the natural increase of the population of the United Kingdom. In 1907 we exported 50 per cent of the natural increase of population; in 1910, 48 per cent; and in 1911, 60 per cent. But for the saving in life through much lower death rates, which I am glad to say we have now in the Old Country, and the much lower infant mortality (which we also have), emigration would be a very heavy drain on Britain. For instance, Ireland has decreased its population by 76,000 in 10 years. Scotland has increased its population by 287,000, or 6 per cent, but that 6 per cent is against 11 per cent in the previous decade. In 10 years Scotland and Ireland have increased their population by only

210,000 people, or less in 10 years than the total emigration from this country for one year, namely, 1910. In the year 1910 Scotland's natural increase of population was 51,755, but its emigration was 55,344, that is to say, its emigration exceeded the natural increase of births over deaths.

Now we respectfully put to this Conference that with a diminishing birth rate and with an increasing emigration of fertile people, the Mother Country cannot safely go beyond 300,000 a year, and we think if we send you, as we intend to, in the years that are to come, from 80 to 90 per cent of that 300,000 a year, we are giving all that you reasonably and consistently should require. These facts, I think, dispose of any need for State-aided emigration. It was not asked for at the last Conference. It has not been revived, so far as I can gather, by any responsible person, and I do not think this Conference expresses any desire for it. If it is State-aided in money it will interfere with the free choice by the Dominions of the class of immigrants they require, and it will in many ways prevent the intending emigrant, who may be suited, both by the physique, his trade and calling, to a particular class of Dominion and country, from having that free choice of home in any of the Dominions to which he is entitled as of right. State-aided emigration, so far as money is concerned, is not favourably regarded by the Mother Country. We respectfully suggest, having given these figures, that you are entitled to take our surplus, but you must not diminish the seed plot. You can take our overflow, but do not empty the tank. Whatever we do in the Mother Country or the Dominions, crowded emigrant ships leaving the Mother Country are no compensation for empty cradles in any country in the British Empire.

So far as regards help in the direction of sending emigrants from the Mother Country to all the Dominions, I have simply to say this: Since 1907 the work of the Emigration Office, as these figures indicate, has more than doubled. Increasingly the Emigration Office adapts itself to modern requirements, to rapid transit, to the extraordinary number of letters that intending emigrants pour into it; they see daily a larger number of intending emigrants, and the rapprochement between the Agents of the various Dominions and the High Commissioners is cordially improving and increasing; and the need for over-organized effort either by the Dominions or the Mother Country in the direction of stimulating emigration is, in the judgment of those responsible here really not necessary. Where the Mother Country can help the Dominions with emigrants it does so by diverting the flow from foreign countries increasingly to the British Empire, and this is done in various ways. There are some 50 private societies and benevolent organizations, non-political, and in no sense possessed of fads or doctrinaire views with regard to emigration, and showing no particular preference for any Dominion engaged in this work, and I am under the impression that over-organization and any attempt either by the Dominions or by the Mother Country to do more than they are now slowly but surely doing would check many of those organizations which in a way fill a gap that no State organization can possibly occupy. Beyond the 50 private societies and public agencies, there are 1,000 public libraries and municipal buildings that display literature and give information, as do many of the post offices. Beyond that, directly stimulating emigration to the Dominions from the Mother Country, there are 650 boards of guardians under my Department, which send (and this will please Mr. Batchelor) to the Dominions absolutely all the children they emigrate. In 21 years 9,300 poor law children have been sent to the Dominions at a cost to the Mother Country out of the rates of 109,000*l.*, or 11*l.* per head of children emigrated. The quality of the children is indicated by one simple fact: Of 12,790 poor law children who have been passed through the poor law schools of London only 62 out of the 12,790 have been returned by their employers either through natural defects or through incompatibility of temper or disposition. They are a sample of what the poor law guardians have sent into all the Dominions. Beyond the guardians, 130 distress committees

have, since I have been president of the Local Government Board, sent, 16,000 people in five years, at a cost of 127,000*l.*, or 8*l.* per head and all of those have gone to the British Empire. Two hundred labour exchanges give information about emigration and to that extent indirect help is given.

Mr. BATCHELOR: They give information about all countries, not only about the British Empire.

Mr. BURNS: All countries—not only the British Empire. But this indirectly helps emigration to the Dominions more than to foreign countries. All the private societies give prominence almost exclusively to emigration to the Dominions. Since the Conference of 1907 a very useful thing has been done, both for emigrants who could not then go, and for the Dominions to which they now can go; that is to say, in 1906 an army reservest—(that is a man who had done his three years in the Guards or his seven years in the line)—was not allowed by law to leave this country for any external country, whether in the British Empire or not, and then draw his reserve pay. That I am pleased to say has been altered, and reservists can now go to any part of the British Empire, and draw their reserve pay up to a number approved by the War Office, and in the four years since the Conference of 1907, 8,000 army reservists have been allowed to stay outside this country and draw their reserve pay until it expires, and of the 8,000 only 329 are not under the British Flag. In rural countries there is an increasing tendency, as judged by the letters to the Emigration Office, for applicants from rural areas to apply, and the figures right up to date are that no less than 41,000 emigrants left the United Kingdom in the month of April last, and I should say that of the 41,000 emigrants who left in April last, perhaps 85 or 90 per cent—we cannot tell exactly at this moment—went to Dominions within the British Empire.

I do not know that there is anything for me to add, except this. If I can advise this Conference, I will advise you to let well alone. Emigration to the Dominions is proceeding at a disproportionately rapid rate. There is no need for the Conference to do other than trust the Mother Country in this matter, just as the Mother Country trusts the Dominions to treat its emigrants well when they arrive there, and I have nothing but praise for the efforts of Mr. Bogue Smart in Canada, and for the Canadian and other Governments for the kindly care they take of the child emigration that comes directly through my Department. Here and there there may be opportunities, as the Dominions themselves may decide, of providing to an increasing extent for women immigrants, who, I am glad to say, are going to the Dominions in greater numbers than they previously did. There may here and there be an opportunity as the Dominions may decide, for perfecting the organization by which children and women particularly may be protected during the short interval they are in the receiving homes or hostels before getting the work to which they are going.

I do not know that I have anything further to add except this, that the Dominions will ultimately lose, and the Empire will not gain, if there is too much emigration or more than we can replace by births. Britain must not export more than she breeds and rears. If she does she must needlessly import herself from Continental populations, and with 9,000 to 10,000 Polish miners in Scotland I do not think that we should be either encouraged or persuaded to invoke that kind of industrial help. I think if emigration is over-organized, favouritism may ensue. The nearest Dominions now have a great advantage. Manitoba sometimes complains of Ontario; Australia sometimes may complain of all Canada. To open all the Dominions to the emigrants that want to go from this country I think the Dominions must be left to themselves to offer what attractions they can in their own particular way. It is for the Mother Country to give its own people and its own emigrants that guidance, information, and protection which they are entitled to receive from the Government, and to hold the balance as between all the Colonies, and, generally speaking, to do

in the future as we have been able to show you since the last Conference we have done in the immediate past.

I have one word to say to all the Dominions, if I may, and it is this: Here and there there have been complaints that the standard of rejection of some of our emigrants has been a bit too rigorous. I am glad to say that in the last two or three years that rigour has not been continued, and there is a generosity all round in the treatment of emigrants from the United Kingdom which personally I, as one responsible for its direction and diversion from foreign countries to Dominions beyond the seas, am pleased to see.

In conclusion I may say that I have set out for the Conference a series of diagrams which are reproduced in the small memorandum which I have circulated for your perusal, and I trust that the statement I have made will be satisfactory to the Conference; if not, I shall be pleased to answer any questions that may be put.

Sir WILFRID LAURIER: It is extremely satisfactory, as far as we are concerned.

Mr. BATCHELOR: I would like to say that we have had a most interesting statement from Mr. Burns, and the tendency of the emigration movement is certainly very satisfactory to the Dominions. 20 per cent now go to foreign countries, and we hope before long that that 20 per cent will be considerably reduced. I have no complaint whatever to make, and I think the Emigration Office is assisting us as far as it possibly can; but I would like to say that we hold the view that it is the duty of the Emigration Office not only to assist but also to hold the balance as between States and as between Dominions, and while I cannot say that you should take any definite action to prevent people going outside the Empire, still every active help that can be given to further reduce that 20 per cent which goes outside the Empire would be appreciated by the Dominions.

Sir JOSEPH WARD: After the very interesting speech we have heard from Mr. Burns, I really believe this motion ought to be altered, if I may suggest it. As far as I am concerned I am thoroughly in accord with what Mr. Burns has stated as to the importance, in regard to the future, of England itself not stressing this question of excess of British emigrants beyond the figures that Mr. Burns himself has suggested. If we are getting 300,000 a year of British emigrants to the oversea Dominions, or 80 per cent of them at all events, that does appear to me to be as much as any of the countries can reasonably expect from Great Britain, and I would suggest that this first portion of the resolution be altered to the effect that the Conference endorse the policy of the Home Government in connection with British emigrants.

Mr. BATCHELOR: That is the same thing.

Sir JOSEPH WARD: The resolution as it stands seems to me to convey the impression, or might convey the impression, that we are not satisfied with the aggregate number going to the oversea Dominions, and I think perhaps you might see your way to alter it in the direction of affirming what has been done and expressing the hope that it will continue. It reads in a double way, which I had not noticed until I listened to Mr. Burns's speech. It reads as if we wanted to have some extra steam put into the machinery here to send people out to our countries. I do not think we do. For instance, in the course of the remarks of Mr. Burns about the population of Scotland during the last 10 years, I cannot shut my eyes to the fact that New Zealand has increased its population almost entirely from British subjects by twice the number Scotland has during the last 10 years. The numbers that we are getting we are absorbing, as I said before, as they come, and from our point of view I should be very sorry to see Scotland depleted. Ireland has been depleted to a very large extent in the years gone by, and I myself should be sorry to see the

impression conveyed that we wanted an increased exportation of British subjects from the Old Country to the new ones.

Mr. BATCHELOR: There is nothing in the resolution to that effect. It says: 'That it is desirable to encourage British emigrants to proceed to British Colonies rather than foreign countries,' that is all.

The CHAIRMAN: May I suggest a *via media*? I think I would insert the word 'continue.' 'That it is desirable to "continue" to encourage British emigrants to proceed to British Colonies rather than foreign countries'; and may I make a suggestion for alteration in the second paragraph: 'That the Imperial Government be requested to co-operate,' because they are co-operating, and I think it should run: 'to co-operate with any Colonies desiring immigrants.' I suggest stopping at the word 'immigrants.' I think we mean the same thing, but if you put in the word 'assisting' it looks like a demand for State-aided emigration from here, which is not the intention. As at present worded it is a little misleading.

Mr. FISHER: I have no objection to that.

The CHAIRMAN: Then it will read in this way: 'That it is desirable to continue to encourage British emigrants to proceed to British Colonies rather than foreign countries. That the Imperial Government be requested to co-operate with any Colonies desiring immigrants.' I presume there is no objection to the word 'Colonies' there, because of course we have Crown Colonies as well as Dominions.

Might I also suggest that the remaining paragraph be eliminated? I ask that on this ground. We keep the Emigrants' Information Office in the closest possible touch with the High Commissioners and the Agents-General. We obtain all their information from them continuously, but the Conference will understand that the Emigrants' Information Office is not designed to promote emigration to any particular Dominion. It is designed to give absolutely frank and accurate information to the Englishman wishing to go abroad, to whatever country he wishes to go; but as a matter of fact, the information given is almost exclusively in relation to the British Dominions, and the operation of that office has undoubtedly had a deflecting effect towards the British Empire. But if you were to introduce on the committee of that office representatives of all the Dominions or of all the States of the various Dominions, you might have—I do not say you would—an element of competition as between, say, different States in Australia, as to the encouragement which should be given to people to go to New South Wales rather than Queensland, or to Western Australia rather than to Tasmania; various undesirable questions of that kind might arise. But if Mr. Batchelor would like to move a resolution that the Secretary of State should be requested to make arrangements for closer contact for the purposes of information with the Agents-General, I should be quite happy to accept that so long as we do not interfere with the present constitution.

Mr. BATCHELOR: I do not think it is necessary.

The CHAIRMAN: We do keep in very close touch, and I will see that the information is kept up to the very last moment, as indeed it always has been, I am happy to say.

Mr. BATCHELOR: The idea was to draw attention to it rather than anything else.

Sir JOSEPH WARD: The resolution is quite sufficient, I think.

Mr. BURNS: I would ask the representatives of the Conference present to look at the character and quality of the information that is sent out by the Emigrants' Information Office, and in answer to Mr. Batchelor I may say that you have only to

mention the amount of correspondence to see an improvement in the methods of working, because in the four years between 1907 and 1910 it has risen from 86,000 to 132,000, which, I think, symptomizes what Mr. Batchelor wants, that there should be an opportunity of seeing that the Dominions beyond the seas, so far as the Information Office is concerned, get all the necessary information given to intending emigrants, who may wish to go to the various Dominions.

Mr. FISHER: Before the discussion closes I should like to say that a remark made by Sir Joseph Ward regarding what they did in New Zealand might, if applied to Australia, continue a misapprehension that is in the minds of the people of Great Britain and other countries regarding our immigration laws. We have not in practice applied the educational test to any people of European descent.

Mr. BATCHELOR: We never have applied it to any white men.

Mr. FISHER: No; but that did not prevent persons at this side of the world saying we did. The Commonwealth has been much misrepresented for years on that question. Happily Australia is better known and appreciated to-day. The Local Government Board has assisted in bringing that good feeling about. I recommend Australia to those who intend to make a new home in another country. It is healthy, and the standard of comfort for the worker is as high as it is in any other country.

The CHAIRMAN: I think, as we are not absolutely reaffirming the terms of the resolution of the Conference of 1907, some light alteration would be necessary in the resolution I suggested. I think possibly the Conference might like to begin with the words: "Having heard the interesting and explanatory statement from Mr. Burns, resolved, That the present policy of encouraging British emigrants to proceed to British Dominions rather than foreign countries be continued on the present lines and that full co-operation be accorded to any Dominion desiring immigrants.' Does that seem satisfactory?

Mr. FISHER: It seems clear and direct.

Sir JOSEPH WARD: I think it is very good.

The CHAIRMAN: I will read it once more: "Having heard the interesting and explanatory statement from Mr. Burns, resolved, That the present policy of encouraging British emigrants to proceed to British Dominions rather than foreign countries be continued on the present lines and that full co-operation be accorded to any Dominion desiring immigrants."

Mr. FISHER: I agree, if you stop at the words "be continued."

Mr. BATCHELOR: And leave out "on present lines."

Mr. FISHER: Leave the words after "continued."

The CHAIRMAN: Leave out "on the present lines."

Mr. FISHER: Yes, because you might develop on some other lines, and you might feel tied to go on those lines if you saw something better, and it is complete without it.

The CHAIRMAN: Yes.

Sir JOSEPH WARD: Lest any misconception should exist in the mind of Mr. Fisher, or anybody else, regarding my remarks about New Zealand's position, I desire to state that I have not at any time taken exception to the Australian policy, and I am not doing so now. In referring to the New Zealand system all I wish to

convey is the fact that we require everybody, except those from Great Britain or of British origin, to send in an application in writing in English. That does not apply to Asiatics; they require to go through an education test, and also to pay a poll tax, similar to what they have in Australia, I think. Our reason for that is a very clear one. In regard to those men who come from foreign countries to New Zealand, if they are to have the rights of citizenship on similar lines to our own people and those who come from Great Britain, we want to avoid having any people in our country who is any sense of the term may be illiterate, or people who cannot conform to the laws in operation there, and in some cases cause considerable cost to the people of our Dominion for whose benefit those laws have been put on the Statute Book. We want to ensure that those coming from other countries, and wanting the rights of citizenship, should be able to conform, not only to the examination we call upon them to pass, but to the requirements of our country, and that such an examination is intended to ensure.

I do not want to say anything about New Zealand as a field for emigration, because we are getting what we require by degrees, but it is not a matter of policy to have more people coming than we can legitimately absorb, and from our point of view we are quite satisfied with what Mr. Burns's important Department is doing.

Mr. FISHER: I only embraced a suitable opportunity to make an explanation regarding our position, so that Australia might not be misrepresented in future by any good citizen.

Mr. BATCHELOR: The only distinction we make as regards British and foreign other than Asiatic immigrants is with regard to contract immigrants.

Sir JOSEPR WARD: We do that too.

The CHAIRMAN: May I take it that the resolution as I have read it is acceptable to the Conference?

AGREED.

Reciprocity Destitute Persons Law.

"That in order to relieve both wives and children and the poor relief burdens of the United Kingdom and her dependencies, reciprocal provisions should be made throughout the constituent parts of the Empire with respect to destitute and deserted persons."

Sir JOSEPH WARD: I move the resolution herein, and Dr. Findlay will speak to it.

Dr. FINDLAY: You will observe that the resolution refers to wives and children, and I want to make this first opportunity of saying that it was not intended to include bastardy orders, or what we call official affiliation orders. I make that observation because in the comment which appears in this book of memoranda, objection is taken to the application of such principle as is here suggested to bastardy orders.

That was not the intended scope of this resolution, and with that observation I desire to say a word as to what its real meaning is. What we feel in New Zealand —and I think I am entitled to speak for Australia, because I have been in communication with the Attorney-General of Australia, Mr. Hughes—is that there is not sufficient reciprocity in connection not only with these orders under our Destitute Persons Act, but in connection with many other orders made by the courts here or by the courts there, which in our view should have some kind of operation and effect

throughout the whole Empire. The United Kingdom itself, as you will observe, has asked us to consider the expediency of allowing a wider operation to awards made under an arbitration, showing that the people here realise that there is not sufficient imperial scope given to legal processes to have them properly conducted to a proper conclusion. The situation at present is exceeding anomalous, and often surprising. If a man deserts his wife in London and comes to New Zealand and prospers there he cannot be proceeded against. There is no means under the existing law by which a wealthy man in New Zealand can be made to contribute to the support of his starving wife and children in England unless you proceed very much by the method of extradition, that is, take proceedings, the man being dealt with under the Fugitive Offenders Act in New Zealand in much the same way as you would do if he had gone to France, and have him brought back from there at enormous expense, because you have to send a man from here to identify him. He has to be brought before the courts here, and an order has to be made which resembles an Extradition Order, and he has to be brought over here. If he is in employment in New Zealand, it means his prospects of earning a living are ruined, and you get a situation no better than when he started—he is indigent, and the wife and children are indigent too. If a man deserts his wife and children in New Zealand and comes to Englnad, precisely the same difficulty is met with. We have no means of coming to England and attacking the purse of a wealthy deserting husband or father and making him contribute, unless we go to the expense, and risks incident to it, of bringing him back to New Zealand. That, I think, illustrates an anomaly. If he had gone to Ireland, an entirely different procedure would have been followed; if he had gone to Scotland, an entirely different procedure would have been followed, because there is operation given to writs, judgments, and orders in Ireland and Scotland.

The whole matter really wants to be made uniform, the fact that a different law would apply if he deserted to Ireland than to Canada or to Australia, suggests that something might be done to introduce a more intelligent and uniform system.

Mr. BRODEUR: I suppose the wife who had been deserted could take civil proceedings against him in New Zealand?

Dr. FINDLAY: No, that is the very point I am making, that a Dominion like New Zealand has no power to punish or to deal with any matter which took place outside its borders.

Sir WILFRID LAURIER: Would not she have an action for maintenance?

Dr. FINDLAY: Supposing she came to New Zealand to proceed against him for deserting her in England, she would fail. But she would get future maintenance.

Mr. BRODEUR: You mean in a criminal action; but suppose she took an action for support?

Dr. FINDLAY: If she came to New Zealand she would be able to get support from the time she brought her action and complained, but she would not be able to get anything for the expense of coming to New Zealand, or for her maintenance before coming to our courts and seeking relief there.

Mr. BRODEUR: Even if she remained in England, could she not take any proceedings before your civil courts to get maintenance from him?

Dr. FINDLAY: No, that is the point I want to make clear; we cannot give extra territorial operation to any law of ours, and the point I wish to press is this very point. If the desertion takes place in England it is not an offence according to our law at all; we cannot make it an offence because we are not permitted to legislate for what takes place outside of our borders. What we did last year by an Act which passed last year was this: We provided that if a husband deserted his wife or

children, wherever the desertion took place, proceedings might be taken in New Zealand. Now that provision requires reciprocal legislation on the part of Australia, and we are going to get it from Australia if Mr. Hughes has the mind of his Government. The other Attorneys-General in Australia have readily agreed to pass reciprocal legislation so far as is necessary. What we now ask is that the Imperial Government should help us to make effective this provision for dealing with those deserting husbands and fathers. The provision suggested is this, that proceedings may be taken either in New Zealand by the wife left deserted in England, or more efficiently still that she should take proceedings in England against her husband who has deserted her and gone to New Zealand; that the order made here should on being filed in our Courts be *prima facie* a valid order in New Zealand; that provision should be made (as we have already made it in New Zealand) that he can attack the order upon any material ground, but on no technical ground; he can show that it was made in fraud or that he is a destitute person or any other valid ground is open to him, but in the absence of his sustaining a valid ground of that kind the order would have the same currency in New Zealand as it would have had in England.

Now, we are proposing, and with the concurrence of Australia I hope it will be operative next year, the system of common action I have mentioned. Our orders will be enforced in Australia and the Australian orders will be enforced in New Zealand. Is there any reason why a similar arrangement should not be made with the Home Government? It is true, perhaps, that so many do not desert from us to England or from England to us, but we know that there are at present in England men who are well able to support wives and children, some of the children being in our industrial schools, and yet we are advised that the expense of the present process would be so great to us that we had better go on paying as we now do. That applies more strictly and strikingly to desertion to Australia and from Australia to us, but if you are going really to promote Imperial unity, the oversea Dominions should not be treated as they are just now, in point of law almost exactly like foreign nations. There is little or no difference between the proceedings necessary to give validity to an order such as I have mentioned in France or Germany as to give validity to orders in Australia and New Zealand, and while that continues it does not seem to me that you have that Imperial unity we are all anxious to promote.

The matter is of course largely technical, Mr. Harcourt, and as the question of giving further Imperial operation to industrial awards and arbitration awards is still under consideration, perhaps this matter, now that I have opened and explained it, might stand over for consideration when we are dealing with the further operation of awards. In the meantime I should like the principle that I have now sufficiently outlined to be affirmed, that as far as possible reciprocal operation should be given to orders made in this class of cases. I think it will be generally admitted that where a man deserts his wife and children there ought to be given the very fullest facility to the deserted wife and children to make him responsible for their maintenance. The objections raised in this memorandum which I have read very carefully, we have found in practice to be wholly illusory. There is nothing substantial in them. We have had the same law with regard to proceeding without service on the defendant, giving him power to come in afterwards and show that the order should not be made. The dangers mentioned here can be quite well provided against by some such provision. I impress on the Conference that this is not an isolated step but a step in common with a number of places which I think should be taken, and I would urge that it would be a great help to deserted wives and children in New Zealand, as I believe it would be in this country.

Sir WILFRID LAURIER: The principle seems to be right, but the difficulty of coming into line as far as Canada is concerned is that the administration of justice in our Dominion is within the powers of the local Legislatures. I have no objection to passing the resolution, for my part, or on the part of my colleague, but the form of

putting it into practice is a matter which would have to be relegated to the Provinces and not the Dominion.

Mr. FISHER: I like the sentiment and purpose of this proposal, and I think it would be a good thing if we could have a federal law, or a law embracing the United Kingdom and all the self-governing Dominions at least, that would cover the points raised by Dr. Findlay. As I understand it he wishes to be able to recover, from people who have deserted their wives or their children, by some simple process of law. I agree with the idea; I think not only that it would be just, but I think we would be protecting our own communities against people who are manifestly dishonest or even worse than dishonest, who desert their own issue and their own kith and kin. I would suggest, however, that you do not put it in the form in which it is here. I do not think it is wise to refer to the "Poor relief burdens of the United Kingdom." Would it not be advisable to make it read in the general terms of justice, that is: "That in order to protect wives and children of the United Kingdom and her dependencies with respect to" &c. I do not think we have anything to do with the poor relief burdens of the United Kingdom, that is really their business.

Sir JOSEPH WARD: There is no objection to altering it in that direction at all.

Mr. FISHER: I think that is better and clearer, because if we begin in our Dominions fighting law cases to satisfy the poor law guardians here, we shall have a larger order than I think Dr. Findlay and Sir Joseph intended. We wish to do substantial justice to the wives and children of people who have come to our countries or who may have left our countries and may have come to the United Kingdom and who are well able to provide for their dependents. We want a simple process of law by which deserters shall be compelled to do what worthy citizens would do to support a dependent wife and child living in the same country, and which they would be compelled to do if they were living in the same country under the same law.

Mr. MALAN: The matter in the Union of South Africa is this, that before the Union, we had in the four Provinces laws dealing with the desertion by the responsible heads of families of their dependents, and we have not yet legislated in the Union Parliament on this matter. In the Transvaal and the Orange Free State the Government is empowered to proclaim reciprocal regulations providing for the recognition and enforcement in those Provinces of similar maintenance orders made in any other part of His Majesty's Dominions wherein there is a law in force providing for the recognition of maintenance orders made under the laws abovementioned. In the Cape and Natal Provinces there is a similar provision for reciprocal regulations, but it is limited to provinces, states, or territories in South Africa.

It is the intention of the Union Government to introduce uniform legislation for the whole of the Union, and I think that the provisions of the Transvaal and Orange Free State as regards proclaiming regulations for reciprocal treatment or enforcement of orders of States and Dominions that have similar laws with ours on this point will be incorporated in the Union Act. That would be very much on the lines of the law as it is now in New Zealand as stated by Sir Joseph. The practical side of the matter of enforcing an order, especially when it is far away from the country in which the original order has been taken is a very serious matter. Dr. Findlay, in speaking about the matter referred to that. There is the question of expense. You are dealing in the majority of these cases with poor people, and unless your machinery is very simple, you may find that putting the machine in motion costs much more than the actual relief you would get. Over against that there is this, that one case actually brought to book may serve as a deterrent for

others, and that the indirect effect of legislation of this kind, and taking steps on such legislation would have the desired effect, at all events to a large extent.

I see that in the report issued by the Local Government Board in Scotland a suggestion is made that provision should be made for sending a man back to the country in which the original order was taken if he refuses to comply with the order, and that the power of being deported back to the country from which he was emigrated, to where he has left his dependents unprovided for, would be sufficient sanction.

Dr. FINDLAY: That is the law now; you overlook the fact that that is the law now under the Fugitive Offenders Act, which is an Imperial Statute.

Mr. MALAN: Yes, but that is not the law in the Dominions.

Dr. FINDLAY: It is the law in our country.

Mr. MALAN: It is certainly not the law in the Union of South Africa.

Sir JOSEPH WARD: But I understand that you are going to make it so.

Mr. MALAN: I do not know. I do not know what the law is in Canada nor what the law is in Australia, and I am bringing forward this practical point with a view of getting the Government to send out a circular to the different Dominions suggesting what the lines of this uniform legislation should be.

Dr. FINDLAY: Might I just explain that there is an Imperial Statute called the Fugitive Offenders Act; if a man deserts from South Africa and an order is made against him there for deserting his wife, and he deserts to Australia, he may be brought back from Australia to South Africa under the existing law under that Imperial Statute.

Mr. MALAN: But supposing the order is taken here and that the man is out in South Africa and you want to enforce the order there, what sanction could you apply to the man there? We have no law by which you can send the man back here. It is quite true you can get the man back from here to South Africa but not from South Africa to England, and it is with a view to getting similar legislation in all the different parts of the Dominions on this point that I think we have to go a little further into detail than merely affirming the principle. As regards the principle of this motion, Mr. Harcourt, we think that it is quite sound, and, as I say, we intend to legislate in that direction in the Union of South Africa.

Sir EDWARD MORRIS: I favour the principle of the resolution with the proposed amendment making it clear what it is intended to cover.

Mr. BURNS: As Dr. Findlay suggested in his opening remarks, the subject is almost severely technical, and although we might agree on the principle, the sentiment, of the resolution, he and succeeding speakers have admitted that it would be somewhat difficult to find a practical method of applying the principle in the resolution. We in the Mother Country endorse that view, and the South African representative has to a great extent expressed our minds upon it. There is not a great deal of this desertion, I am glad to say, in the Dominions by British husbands and fathers, and I do not think there is a great deal in Britain of desertion of wives and children by Dominion parents and husbands. If it were possible to adopt this resolution, it is one of those counsels of perfection that, given we could easily enforce it, would be desirable for us to entertain and apply; but I am guided in this matter, not being a lawyer, by the experience and advice of the various Departments. My Department, which has more children and women and more deserted wives and children under it than any other Department in this country, is under the impres-

sion that it would be very difficult to enforce, and that the cost of so doing would be disproportionate to the benefit that might accrue, and that view is shared by the Board of Trade and the Local Government Board for Ireland. It is also shared by the Home Office.

The only branch of the Imperial Government at home that looks upon this resolution with some degree of sympathy is the Scotch Local Government Board, and they of course admit, as Scotchmen always do when they are confronted with difficulties such as this, that it is a very very difficult matter to deal with. We are under the impression that injustice might be done, or at least we did think injustice might be done, if it was intended to apply this to putative fathers and to bastardy and maintenance orders for illegitimate children, and I am very pleased to see that Dr. Findlay applies it only to desertion of wives and children by their husbands and fathers. Even on that we are rather reluctant to encourage Boards of Guardians in very rare cases to embark upon litigation over long periods and over very long distances, that probably would not secure many deterrent examples, but which would certainly give a great deal of work to the law officers in the Dominions and the Mother Country over a small number of cases, and we think that it is one of those difficulties of a great Empire, it is one of those disadvantages that big aggregations of people must always have whilst they have erring spirits amongst them, and we were inclined rather not to press for any legal remedy for the difficulty that has been outlined. But I think it would be possible—and I hope Dr. Findlay will be content with it, if the subject were remitted to the law officers of the various governments to consider the practicability of such reciprocation as is indicated by the resolution, how it can be carried into effect, how by way of the circular suggested by the South African representative you could bring the views of the Dominions before the Home Government in a more technical and more direct way than the resolution has done, and I should be only too pleased with the assistance of Mr. Harcourt to discuss with the Home law officers as to whether this very difficult subject might perhaps be met in another way, that is, should desertion of wife and children either in a Dominion or in the Mother Country be regarded as a deportable offence? and get their views upon it.

I would ask Dr. Findlay to be content with putting forward his resolution and allow Mr. Harcourt and myself and the other Departments of the Home Government to discuss with the law officers of the various Dominions as to the best way in which what is proper and just and fair in the resolution might be given practical effect to. But on the present information we have we are under the impression that unless it is made a deportable offence it will lead to extraordinary expenditure which is disproportionate to the benefit that is gained. I would ask Dr. Findlay to adopt the suggestion, with all courtesy, which I have put forward.

Dr. FINDLAY: May I, just to obviate a misunderstanding, say a word? The chief purpose which Sir Joseph Ward and myself had in supporting this resolution is as follows: At present a wife in New Zealand whose husband deserts her and comes to England is practically without a remedy. Under the law as it stands she has to find a sum of about £150 before the police will move to bring him back. In effect that means that a deserted wife is without a remedy. Is it, or is it not, desirable that an offence which is just as serious an offence as many in the criminal calendar should be protected by an obsolete machinery such as that at present existing?

The proposed improvement is simplicity itself—I submit it to Mr. Burns's consideration and it is this—that she should be permitted by virtue of Imperial legislation to obtain an order in New Zealand through our courts, that that order should be brought to England, that here in England where her husband is, and we will assume is doing well enough to maintain her, that order should be brought before one of your courts, and that the court here should call upon the deserting husband to

show why he has deserted his wife and why that order should not have as much effect here in England as it would have in New Zealand were he there. He will then have the opportunity of saying: "That order was obtained in fraud" or "improperly" or any other effective material defence; but unless he can show a defence of that kind the order would have the same operation in England as it has in New Zealand. Where is the difficulty? We are trying it. We have it on our Statute Book, and it will be operative, I daresay, and working well between ourselves and the great Dominion of Australia quite shortly. Why should not it work in Englnd? It gives a deserted wife a ready and effective way of getting at her deserting husband in England. It is cheap; it would not cost very much. The application for an order would be to one of our primary courts in New Zealand, and if the order were made it would be transferred to one of your courts here. The defendant here would be called upon to say why that order should not be made effective against him, and unless he can show good grounds why it should not be made effective, it binds him here, and the money he pays here would be remitted to support his wife in New Zealand. Surely it is not much to ask for an Imperial co-operation of that kind. No doubt those who compiled this memorandum were not in possession of the fuller explanation I have given of our purpose, and I feel quite sure that if they had known the purpose and intent of our existing legislation and that which I believe Australia is to pass, and the simplicity of it, we should have the co-operation of the Imperial Parliament.

Mr. BATCHELOR: The deterrent effect is great.

Dr. FINDLAY: At present, as you know, Mr. Batchelor, a man leaves our shores and comes over here and in effect that is a complete escape. Under the law which we have passed and which you are going to pass he knows that he does not get away from the arm of the law, that the order made in New Zealand would be effective to follow him in Australia, and it would check this desertion, which, as you know, goes on pretty freely between your country and ours.

Mr. FISHER: I am going to quote, if I may, the reply of the Edinburgh Local Government Board, which seems to me to be very good. They admit the weight of the contention of the Local Government Board here, but they say: "Although there is much to be said for this view, in our opinion it places undue weight on the question of profit and loss in individual cases. We are quite of opinion that, were the benefit of reciprocity limited to the actual cases in which the law might be put into operation, the expense would be prohibitive. We think, however, that considerations of public policy outweigh the question of expense. We are satisfied that when it becomes known that a man cannot escape his natural and legitimate liabilities by merely going to Canada, Australia, South Africa, or New Zealand, a great deterrent force will result. The real value of the change would lie in the fact that there existed an effective law which could at any moment be put into force. Our inspectors were unanimous on this point, and we entirely agree with them."

The CHAIRMAN: Might I make a suggestion as to an alteration in the form of the resolution? It might possibly run in this way—it is quite clear that we ought to have further inquiry into this matter: "That in order to secure justice and protection for wives and children who have been deserted by their legal guardians either in the United Kingdom or any of the Dominions, reciprocal legal provisions should be adopted in the constituent parts of the Empire in the interests of such destitute and deserted persons."

Dr. FINDLAY: You say: "In the constituent parts of the Empire." That includes the United Kingdom, I take it?

The CHAIRMAN: Yes.

Sir JOSEPH WARD: I agree to that.

Dr. FINDLAY: Then I agree.

Mr. FISHER: It seems all right.

The CHAIRMAN: May we take it in that form? [AGREED.] That really concludes our business for the morning.

Mr. FISHER: I am rather anxious to know how our agenda are proceeding. I think we might, as far as it is possible so to do, get to know when we are going to discuss the minor and the important matters that still remain. Although we have fixed our days of sitting, members might get a day or two free instead of Wednesday. I understand on Monday very few things are down.

The CHAIRMAN: It will not be a very short discussion on Monday,—there is the Imperial Court of Appeal and the Law of Conspiracy. The Lord Chancellor and Lord Haldane will be here to discuss those matters. Then on Tuesday there is naturalization, which will be a very full morning I should think.

Mr. FISHER: It seems to me that if we were to sit in the morning and afternoon on Monday we should be able to clear off those two sets of subjects, and that would give us two days off, because some of us can do nothing at all with the one day, as it ties us to town.

Dr. FINDLAY: I think naturalization will occupy a considerable time.

The CHAIRMAN: It would occupy more than an afternoon sitting, and it is rather short notice now for me to get the Home Office to attend on Monday afternoon. Next week is a very heavy week.

Mr. FISHER: May I point out that there are other matters of the greatest importance which have still to be discussed? The question of Defence has only been touched upon lightly in a way. We want to have discussions with the expert officials to discover exactly what their views are. We want to bring the matter before this Conference, if necessary, in general terms, and we will want a little time for that before this Conference closes.

The CHAIRMAN: I really do not see how you can put more into the days of next week. We happen to have had a light sitting this morning, but Monday, Tuesday, Thursday, and Friday of next week are very full.

Mr. FISHER: I also intend, as I indicated on the first opening of this Conference, to bring up a resolution about the Suez Canal rates and dues.

The CHAIRMAN: That will come on Friday, the 16th, with the other matters down for that day.

Mr. FISHER: If you think we cannot put in any more it is no use discussing it.

Mr. BRODEUR: On the question of Naval Defence, I understood that we were to have some further conference with the Admiralty. I have not received any intimation as to whether it is to be done. Will they communicate with us?

The CHAIRMAN: I took no steps myself because I supposed they were doing it. I shall have inquiries made about that matter.

Adjourned to Monday next at 11 o'clock.

SEVENTH DAY.

Monday, 12th June, 1911.

THE IMPERIAL CONFERENCE MET AT THE FOREIGN OFFICE AT 11 A.M.

PRESENT:

The Right Honourable H. H. ASQUITH, K.C., M.P. (President of the Conference).

The Right Honourable L. HARCOURT, M.P., Secretary of State for the Colonies.

The Right Honourable THE LORD CHANCELLOR.

The Right Honourable VISCOUNT HALDANE OF CLOAN.

Canada—

The Honourable L. P. BRODEUR, K.C., Minister of Marine and Fisheries.

Australia—

The Honourable A. FISHER, Prime Minister of the Commonwealth.

The Honourable E. L. BATCHELOR, Minister of External Affairs.

New Zealand—

The Right Honourable Sir J. G. WARD, K.C.M.G., Prime Minister of the Dominion.

The Honourable J. G. FINDLAY, K.C., LL.D., Attorney-General and Minister of Justice.

Union of South Africa—

General The Right Honourable L. BOTHA, Prime Minister of the Union.

The Honourable F. S. MALAN, Minister of Education.

The Honourable Sir DAVID DE VILLIERS GRAAFF, Bart., Minister of Public Works, Posts, and Telegraphs.

Newfoundland—

The Honourable Sir E. P. MORRIS, K.C., Prime Minister

The Honourable R. WATSON, Colonial Secretary.

Mr. W. H. JUST, C.B., C.M.G., Secretary to the Conference.

Mr. W. A. ROBINSON, Senior Assistant Secretary.

Mr. A. B. KEITH, D.C.L., Junior Assistant Secretary.

THERE WERE ALSO PRESENT:

LORD LUCAS, Parliamentary Under Secretary of State for the Colonies;

Sir FRANCIS HOPWOOD, G.C.M.G., K.C.B., Permanent Under Secretary of State for the Colonies;

Sir C. P. LUCAS, K.C.M.G., C.B., Assistant Under Secretary of State for the Colonies;

Mr. J. S. RISLEY, Legal Adviser, Colonial Office;

Sir Almerick FitzRoy, K.C.V.O., Clerk of the Privy Council;

Mr. C. H. L. Neish, Registrar of the Privy Council;

Mr. W. Reeve Wallace, Chief Clerk, Judicial Committee of the Privy Council;

Mr. Atlee A. Hunt, C.M.G., Secretary to the Department of External Affairs, Commonwealth of Australia; and

Private Secretaries to Members of the Conference.

Australia:—

"That it is desirable that the judicial functions in regard to the Dominions now exercised by the Judicial Committee of the Privy Council should be vested in an Imperial Appeal Court, which should also be the final Court of Appeal for Great Britain and Ireland."

New Zealand—

"That it has now become evident, considering the growth of population, the diversity of laws enacted, and the differing public policies affecting legal interpretation in His Majesty's overseas Dominions, that no Imperial Court of Appeal can be satisfactory which does not include judicial representatives of these overseas Dominions."

The CHAIRMAN: The Prime Minister, I hope, will be here in a few moments, but there is no reason why we should not begin, and I will ask Mr. Fisher to move the resolution.

Mr. FISHER: Mr. Harcourt, the motion is: "That it is desirable that the judicial functions in regard to the Dominions now exercised by the Judicial Committee of the Privy Council should be vested in an Imperial Appeal Court, which should also be the final court for Great Britain and Ireland." The idea underlying this proposal is that there ought to be one Appellate Court for the United Kingdom of Great Britain and Ireland and the overseas Dominions. The constitution of that court we do not propose to go into it at the present time; it is the subject of a motion by the sister Dominion of New Zealand how that court is to be constituted. We wish to advance our views that it would be advisable to have a court to which all the cases could be submitted for final decision, indeed, that is the whole case. I would ask my friend the Minister of External Affairs, Mr. Batchelor, to give some further reasons why we think it desirable that should be so.

Mr. BATCHELOR: Mr. Harcourt, the present position is that there are two courts of final appeal within the Empire, one for the Crown Colonies and India and the oversea Dominions, and the other the House of Lords for the United Kingdom. This seems to be an anomalous position which ought not to be continued in an Empire such as ours.

At this point the President took the Chair.

Mr. BATCHELOR: I was speaking on our resolution for an Imperial Appeal Court, and I was just mentioning that the present position is distinctly anomalous, it seems to me, and unless there are some very practical difficulties in the way of having one appeal court for the whole Empire, one court in which the last word is said, that system ought not to be continued if it can be avoided. Having two final courts of appeal, I think it will be admitted, has previously led to conflicting judgments as to the law. There ought not to be any possibility of uncertainty as to

the law. When an appeal is made to a court supposed to have final powers of jurisdiction, there ought to be no possibility of any conflict in the different parts of the Empire as to what the law means.

Another point I want to put is this, that if the two courts are quite equal in powers, then, of course, there must be a certainty sooner or later of conflict. If they are unequal, if one gives way to the other, one is the inferior court if any heed is paid to the judgments of the other court. Practically they are the same persons at present. The Privy Council is composed of very much the same judges as the House of Lords in practice, with a few additional members; I think that is the present position.

The PRESIDENT: I think that is so.

Mr. BATCHELOR: There seems to be no very great difficulty, one would think, in those circumstances in having one court—in having the court which is now the Judicial Committee of the Privy Council, the court of the Empire, or possibly the other way round. I think it would be generally considered advisable that this supreme court, this final court, should be a court in which there should be some representatives other than the Law Lords, but that point is one that will be raised by the New Zealand resolution. What we are contending for now is that there ought to be one court of final appeal.

There is one point in connection with the Privy Council that it is not in the usual way the decision of a court, but it is the finding of a board—it is the report of a board rather than the finding of a court. I think it is the only court in the Empire, if I mistake not, which does not give individual judgments.

The PRESIDENT: Yes, some people think that is a drawback and others an advantage.

Mr. BATCHELOR: Still, if that is an advantage, and it is the only court of the Empire which does not give individual judgments, then it is rather a reflection on all the rest of the courts of the Empire.

The PRESIDENT: You can put it either way.

Mr. BATCHELOR: It rather suggests that we should bear in mind the fact that if it is generally accepted that it is the proper thing in all the best courts to have individual judgments, that should also follow in the case of the Colonial Court of Appeal.

The PRESIDENT: It has this curious consequence, that you never know whether a judgment of the Privy Council is unanimous or not.

Mr. BATCHELOR: Quite so; you never know whether it is unanimous.

The PRESIDENT: Or to what extent it was dissented from.

Mr. BATCHELOR: Or to what extent it was dissented from; and that is one of the arguments which I think can clearly be used against the report of a court of that nature. Another thing is that I would not suggest for one moment that anyone who ever sat or who ever will sit on a court of that kind should act in a slipshod manner, but the fact that there are not individual judgments recorded would not under ordinary circumstances tend to the very close personal study of each member of the court as it would if they had to record individual judgments.

I think, Sir, I need not advance any further points. I believe one of the reasons which has been urged against having one court is that there might be over-work and congestion if you had one court to do the work of the Empire, at least that was suggested at the last Conference. That of course is a question that could be very

easily dealt with. There are two courts now, consisting very largely of the same individuals, and if they can meet the over-work that at present exists there ought to be no difficulty in uniting the two courts and calling it one. That cannot be really a practical difficulty. I think we ought to take a step in advance in the direction of Imperial unity in a case of this kind where there are no great difficulties in the way, where no interests will be upset, and where the matter can easily be arranged.

The PRESIDENT: I think it might be convenient to the other Members of the Conference that the Lord Chancellor should at once make a statement, as it might abridge the discussion and concentrate it.

The LORD CHANCELLOR: I will do so with great pleasure. The matter is undoubtedly a very important subject, and I think it is a very difficult subject. I think I had best begin by stating in quite an abbreviated form the nature of the jurisdiction already existing. In the House of Lords the House hears all the appeals from the United Kingdom. I have before me the judicial statistics, and I find that in the last year of which they give a record, which was in 1908, the total appeals disposed of in the House of Lords was 107. The number is increasing, because the average of the preceding five years was 91·8. Those who may sit in the House of Lords are, in theory, every peer, and, for a considerable part of the history of England, every peer did sit if he liked, but for a long time now it has been restricted to the judicial members of the House of Lords, who consist of the Lord Chancellor and four Lords of Appeal, together with any previous Chancellor and any peer who has held high judicial office. In practice, those who sit at the present time, which is a very good illustration of what is common and usual, are the Lord Chancellor and the four Lords of Appeal; we get a good deal of help from Lord Halsbury; we have the advantage of Lord Gorell and Lord Mersey, both distinguished judges in the English Courts. We have assistance from the Lord President of the Court of Session in Scotland, Lord Dunedin, and from Lord Kinnear, who sits also in the Scotch Courts, and Lord Ashbourne occasionally comes. I do not think Lord O'Brien, who is the Lord Chief Justice of Ireland, ever has sat at any time, but the Lord Chief Justice of England also helps us. The backbone, so to speak, of our Court in the House of Lords is the Lord Chancellor and the four Lords of Appeal, but a good deal of assistance is voluntarily given by the other Lords I have referred to.

Mr. MALAN: Have you got a fixed quorum to make up the Bench?

The LORD CHANCELLOR: The quorum in the House of Lords is three, but we very seldom sit with less than four, and the practice, as you probably know, during the whole history of England has been that our courts are comparatively small. Four or five judges have decided all the greatest cases in the whole history of England.

Now I come to the Judicial Committee of the Privy Council, and in order to point out what the jurisdiction of that most unique and interesting tribunal is, I have had printed the appeals disposed of by the Judicial Committee of the Privy Council in the years from 1906 to 1910.

The PRESIDENT: You have copies of these?

The LORD CHANCELLOR: If you will kindly look at those statistics at page 10 for the last year, 1910—so that we are really up to date as far as this document is concerned—you will see there a list of nearly all the courts in which the Privy Council has jurisdiction. There are one or two in the United Kingdom, but the jurisdiction, broadly speaking, is a number of courts in India, the Dominion and Colonial Courts, and other courts, which do not belong to the British Empire, like Constantinople. That is the work which they have to do. Would you kindly look and see what the proportion is of the business they have to do? Out of a total

of 78 appeals disposed of, 41 came from India. Then come all the other Dominion and Colonial Courts, and the High Court of Australia has 3, the Supreme Court of Canada 10; there were none from the Cape of Good Hope, none from Natal, 1 from Newfoundland, 2 from New South Wales, 2 from New Zealand, 6 from Ontario, 1 from Quebec, 4 from the Transvaal, and 1 from Western Australia.

The PRESIDENT: About half of the 33 seem to come from Canada.

The LORD CHANCELLOR: I think more than half.

The PRESIDENT: It is more than half altogether—17.

The LORD CHANCELLOR: You will observe that now, speaking of the Dominion apart from the Colonial Courts, Canada figures much more largely than half—in fact, a great proportion of the cases are from one court or another in Canada.

The PRESIDENT: I was including that.

Dr. FINLAY: 1910 is an exceptional year.

The LORD CHANCELLOR: I have given each year; I only took the last for convenience. If you go back and take 1909, Australia had 3, Canada Supreme Court 7, Cape of Good Hope 1, Natal 1, New South Wales 1, New South Wales (Vice-Admiralty Court) 1, New Zealand Court of Appeal 1, Nova Scotia 4, Ontario 7, Quebec 3, Transvaal none, and Western Australia none.

The PRESIDENT: I make it 23 from Canada, that is about half, if you include British Columbia and Nova Scotia.

The LORD CHANCELLOR: Yes. I do not wish to go through this because I think it would be more convenient that the members of the Conference should have the document before them and be able to see exactly the numbers, which I believe are quite accurately taken out.

Who may sit as Judges in the Privy Council? You see the very large scope of its work. It has to consider Canadian cases, which involve Canadian statutes which have quite their own character, and there are cases involving the old French law before the date of the French Revolution—the old French law and the rules of the French law which was taken to Canada. They have to consider in South Africa Roman-Dutch law. They have to consider also the English Common Law largely modified by Statute or considerably modified by Statute in Canada, in Australia, in New Zealand, and also in South Africa. There is, of course, also Indian law, which is in itself extremely difficult and of a different kind altogether, which I have not adverted to before. Accordingly, with a body of law like that to deal with, you have to adjust the composition of the tribunal in order to accommodate it to the nature of the law which you have to weigh. The people who may sit as Judges in the Privy Council are the Lord Chancellor, the four Lords of Appeal, all those who have held high judicial office, the same as the people who sit in the House of Lords. Then there are two appointed under the Act of 1833 with special knowledge of Indian law, and in addition to that there are provisions to enable Judges in the Dominions or in the Colonies to be members of this Court as well.

Sir JOSEPH WARD: How often has that been availed of?

The LORD CHANCELLOR: I was going to say—very seldom. The Act of 1895 states that any person being or having been Chief Justice or a Judge of the Supreme Court of the Dominion of Canada or of a Superior Court in any Province of Canada or of the Australasian or South African Colonies or of any other Superior Court in His Majesty's Dominions named in that behalf by His Majesty in Council

if he is a member of His Majesty's Privy Council shall be a Member of the Judicial Committee, but the number of such persons is not to exceed five at any time. I am sorry to say, as Sir Joseph Ward intimated rather in his question, that we have not had the advantage which I should like to have of the assistance of many Judges under that rule. We have had the great advantage of Lord de Villiers coming, and he has come several times.

Sir JOSEPH WARD: Five separate visits.

The LORD CHANCELLOR: Yes, I need hardly say how welcome his presence has been. We have had the late Sir Henri Taschereau from Canada, who has sat occasionally. If my memory serves me right we had Chief Justice Way.

Sir JOSEPH WARD: In 1897.

The LORD CHANCELLOR: One year was it?

Sir JOSEPH WARD: Yes, 1897.

The LORD CHANCELLOR: And Sir Henry Strong, too, when he was Chief Justice. I must say that the fruits of that Act have not been copious at all events. We should have liked to have more of that kind of assistance, and I will refer to the difficulties in a moment.

In addition to that the Appellate Jurisdiction Act, 1908, which was passed in accordance with the request of the Conference which was held in 1907, gives power to direct a colonial judge to act as an assessor to the Judicial Committee on the hearing of appeals from his Colony.

Sir JOSEPH WARD: He has no vote, of course?

The LORD CHANCELLOR: It has never arisen, I was going to say, unfortunately; I do not know whether he would have a vote or not, I think he would, but I am not sure—at all events, it has not been operative.

Sir JOSEPH WARD: If he attends as an assessor, he does not have a vote as an assessor.

The LORD CHANCELLOR: I have not thought about it, but I am not sure that he would. I think Sir Joseph Ward is right, and that probably he would not have a vote. At all events, this was what was asked at the last Conference; the members of it will remember that after discussion the proposal made was exactly this, and we carried it out by Act of Parliament; we did not go further, because the Conference did not ask us to go further. Of course, it has been fruitless, and we have not had the advantage of any judge.

Mr. BRODEUR: Do you get any assessors when you have one of the judges from the Dominion on the Bench? I suppose not.

The LORD CHANCELLOR: We have no one except those I have been referring to under those different Acts. I have not attempted—it would weary the Conference and obscure the subject if I were to enter in detail into all the Acts of Parliament, but I have given you roughly the composition of those who are entitled to sit. Now, in practice, those who do sit are the same men who sit in the House of Lords, with the addition, which I am afraid we are now going to be deprived of, of Sir Arthur Wilson, who has for years sat constantly, and who is unquestionably a judge of the very highest ability; but I am afraid we are about to lose his services immediately. With regard to the Indian cases, we always have the assistance of an Indian judge, and at the present time it is Mr. Ameer Ali, who sits only in Indian cases. For the rest what happens is that the same men who are available in the House of Lords either sit in the Judicial Committee when the House of Lords is not

sitting, or, if the House is sitting at the same time, a distribution is made, and I have to do it myself, my colleagues entrust me with the duty. I can assure you that the utmost effort is made to equalise the strength between the two courts—between the House of Lords on the one side and the Privy Council on the other. For myself, I always, or nearly always, sit in the House of Lords when it is sitting at the same time, but in cases of importance, for instance, cases from the High Court of Australia of late years, my colleagues have always wished me to be present in the Judicial Committee, and I always have been present in any case of great importance, either with regard to Australia or Canada. Whether that strengthens the Board or not it is not for me to say. I think that whenever the two courts sit together there is an absolutely fair balance of judicial strength between the two courts, at least, this is my object.

Something was said about conflicting judgments arising between the House of Lords and the Privy Council. In substance the personnel of the two Courts is identical and I am not aware of any case in which there has been a conflict between the Privy Council and the House of Lords. I think that is a mistake; I am not aware of a single case in which there has been a difference of opinion between the House of Lords and the Privy Council.

Dr. FINDLAY: It arises in connection with *dicta* of the Judges in the respective tribunals; we sometimes have in our courts the *dicta* of the Judges of the House of Lords cited which apparently are at variance with the judgments expressed by the Judical Committee.

The LORD CHANCELLOR: I am very much obliged, and I can understand that because I am sorry to say that is constantly occurring in England between the different *dicta* of the different Judges in the House of Lords itself.

That leads me to the other point that was referred to about having one judgment. In the House of Lords and in all our English courts and in the courts of the Dominions too, in fact it is our custom, each judge delivers his own judgment. Sometimes they differ in opinion, but even when they do not differ in opinion they sometimes agree for different reasons, and one of the perplexities of the law at the present time and one of the disadvantages of our system, which has its own merits too, is that there is always scope for an ingenious critic to take a sentence from this judge and a sentence from another and suspend them for animadversion as being contradictory and inconsistent one with the other. I am afraid that is a habit that is ingrained in human nature, and it is particularly developed in the practice of the law. But as regards this point of one judgment as against a number, there are differences of view I know, and I do not at all pretend that in my view I am sustained by the whole volume of authority, but my view is that it would be better in every court if there was only one judgment as the judgment of the court which rules the particular subject of litigation, and I think there would be more coherence and more consistency if the practice of the Privy Council was extended to other courts as well. But, as far as that goes, that is not a point upon which I think any of us would be disposed to make a difficulty. If the wish is that there should be successive judgments by the different Lords in the Judicial Committee I do not think there is any reason for us to adhere, contrary to the wishes of the Dominions, to the practice that already prevails.

The PRESIDENT: I do not know whether you have observed, but I think I have noticed, that the practice now in the Supreme Court of the United States, which is the nearest analogous body, is for the actual judgment to be given by one judge and if there is dissent, then the dissentient judge expresses his views.

The LORD CHANCELLOR: I know the practice is to give the decision by one judge, and very likely you are right about the dissent.

Sir JOSEPH WARD: It is the same in New Zealand; too; the dissenting judge gives separate reasons for his dissent.

The PRESIDENT: I know in two recent cases there was one dissentient judge and he expressed his dissent. It is a sort of midway house between the two practices.

The LORD CHANCELLOR: I see no objection to that. I mean it is not a thing upon which any of us in this country would make any difficulty in the Judicial Committee at all. If the real desire is either to have a series of judgments or to have one judgment with a faculty of dissent on the part of any member who does not agree with it, I am sure we should not make any difficulty at all provided that the Conference makes up its mind that it would prefer that course.

The PRESIDENT: The present practice is due to the fact that it is supposed to be a Committee of the Privy Council which makes a report to the King; it is not the judgment of a court, in fact; until the King has by Order in Council given effect to it there is no judgment at all. It is a mere report. That is the theory.

The LORD CHANCELLOR: That is the origin of it.

The PRESIDENT: It ought to be easily met, of course.

The LORD CHANCELLOR: There ought to be no difficulty in meeting that. I have tried to give to you the nature of the tribunal and the work they have to do in a succinct way. I do not mean to say that I have covered every point or mentioned every person, but I have given, broadly speaking, the effect of the present system.

Now let me try to come to the question of the principle on which I think we ought to decide all these things. The principle to my mind is that each constituent part of the Empire ought to judge for itself as to what kind of tribunal it wishes, and what ought to be the composition of that tribunal, and, including of course in that the United Kingdom, we, like the other Dominions, are entitled to have our own court according to our own view. Therefore whatever Court of Final Appeal in England is desired by any of the Dominions, their wishes ought to prevail so far as we can give effect to them, and there will be no difficulty made by us in trying to give effect so far as we can to the wishes of each Dominion with regard to its own appeals. If we all want the same kind of court and the same kind of judges, then so much the better. It would be very easy then to get a tribunal which would have jurisdiction all over the Empire. But then the question is, do we all want the same kind of court and the same conditions, or do we not? Of course, the idea of any pressure or constraint is wholly inadmissible, and all we want to see is whether we are all agreed as to what we severally and individually desire.

Let me taken the Privy Council first. Do you wish British judges to sit in the Privy Council? Do you wish only British judges to set in the Privy Council? If so, and you will tell us so, we will try to provide a court of that character. Do you wish Indian judges to take part in your final appeals from the Dominions? Do you wish that there should be a permanent judge from each Dominion to hear all the Privy Council Appeals? That is to say, do you desire that the Privy Council shall consist partly of British judges and also shall comprise a Canadian, Australian, New Zealand, South African, and Newfoundland judge as well? If I may say so, you have to make up your minds as to what it is you desire with regard to its composition, and each Dominion making up its own mind as to what it wants, it would be so much better if we all agreed. There has been an idea put forward of a judge coming from each Dominion not to sit upon all appeals; for instance, a judge coming from South Africa not to sit upon Canadian or Australian or New Zealand appeals, but only to sit upon South African appeals. Now if that is so, you would

see that some of the judges who came from these Dominions would have hardly anything to do. If you look—I merely take the last year, 1910, as a specimen—the Canadian judge would have something like 21 cases.

Mr. BRODEUR: 21 out of 33 cases?

Sir JOSEPH WARD: I think that would be a hopeless proposal and make it perfectly worthless.

The LORD CHANCELLOR: I am going to make a suggestion about it, Sir Joseph, in a moment. I do not think that would do, because the Australian judge, for instance, would only have, I think, four cases in the year, and the New Zealand judge would only have one.

Sir JOSEPH WARD: Sometimes one and sometimes two.

The LORD CHANCELLOR: That is not what is meant, but this might be done of course; if it was desired that in Dominion cases there should always be a representative from the Dominion present at the hearing, we could do it in this way —we could fix a time— whatever time suited the Dominion—and take all the cases coming from it at a particular time that would suit the convenience of any representative of the Judicial Bench in the Dominion, who would come over for the purpose of hearing them. We could do that and facilitate it instead of requiring him to spend all his time waiting here without doing other work. Or if the other Dominions wished it, he could of course sit and try their cases, but it is entirely for them individually to say.

Then there is another consideration which it seems to me, having regard to the complex nature of the jurisdiction, is probably the best, and it is this, that there should always be a wide membership of the Judicial Committee, and that there should be selection made of the judges to sit upon these cases according to the nature of the case. Now that is exactly what we have at the present moment, so far as we have the necessary judicial strength for the purpose, we try to get the most suitable judges. If there is an equity case we always have a strong equity judge present, and if there is an Admiralty case we often get those who have experience of Admiralty jurisdiction.

Then there is one more matter to refer to with regard to the Privy Council and it is this—it is for each Dominion to say on what conditions as to appeal there ought to be an appeal at all. For instance, ought there to be special leave given—ought leave to be required from the court in the Dominions? What is the limit of amount in which there is to be the right of appeal? What is the nature of the security which ought to be given when an appeal takes place? Now there are different rules with regard to the different Dominions upon some of those subjects, and the reason is that we have endeavoured to ascertain what is the wish of the Dominion Governments and have settled it according to the wishes of the Dominion Governments. So much for the Privy Council.

Now, as regards the United Kingdom, the House of Lords—or rather the Court which goes under the denomination of the House of Lords—has been for a very long time the final court for all business from the United Kingdom. We are not prepared to recommend that we should change the personnel of our judicial body the House of Lords. We can now add to the number any distinguished judge from the Dominions, as, for example, Lord De Villiers, who is now a member of the judicial body of the House of Lords, and whenever it is thought necessary that can be done. But I think I understand the ideal that is aimed at, and I sympatise with it myself, and I will make a practical suggestion. Let each of the Dominions say what is the composition of the court that they would prefer—I do not mean individual judges, that they would like this judge and that judge, and so forth, but what class of judges

do they wish to have their final appeals heard by, and what strength of the court do they think is right, and we will give you our best in the future as we have endeavoured to do in the past.

Mr. BATCHELOR: In Australia, when the Constitution was originally passed, it was expressed that the final court of appeal should be in Australia. That was the wish of the Australian representatives, and that was altered by the Imperial Parliament.

The PRESIDENT: I remember that; I think Lord Haldane will remember it better than I do, but I think the original Bill as presented to us destroyed the appeal to the King in Council, did it not?

Mr. BATCHELOR: Yes, that meant a final court of appeal in Australia, and the Imperial Parliament put in the provision which is now to be found there.

Viscount HALDANE: With the consent of the Australian representatives who were over here.

Mr. FISHER: I think not.

Viscount HALDANE: I rather think so; your arrangement was not quite fixed when they came over.

Mr. FISHER: Under duress.

Viscount HALDANE: I do not think so. I think the only point they cared about was as to the Constitution, and if you will remember that was kept final, but as to the other they left it so. I am certain nothing was decided against the wish of the Dominion representatives. I remember the negotiations very well.

Mr. FISHER: I am surprised to hear that.

Viscount HALDANE: I think you will find it was so, Mr. Fisher.

The LORD CHANCELLOR: Of course, I am speaking upon the hypothesis that in Australia it was desired to have a final court of appeal in this country.

Mr. FISHER: I did not quite understand that in your earlier remarks; I thought you meant that the Dominions might settle their own Appellate Court.

The LORD CHANCELLOR: I was trying to deal with the matter on the assumption of the final court being in this country.

Mr. FISHER: I think your words conveyed to me a different view.

The LORD CHANCELLOR: Let me make it perfectly clear. I have not at all been thinking throughout my observations of whatever each Dominion might think fit to settle for itself in its own country; I was only thinking of how we in England could meet their wishes in regard to a final court of appeal in this country—a different proposition altogether.

I have said nothing at all about the Australian desire, if there be a desire in Australia, to have no appeal at all. That is a different thing. I was speaking solely with regard to the court in England, and I think it would be desirable that each Dominion should say what class of judges they wish to have in this country, if they have an appeal here, and what strength they would like them to sit in.

Mr. FISHER: It is obvious, as far as we are concerned, that without an amendment of the Constitution we cannot do anything now.

The PRESIDENT: You cannot get rid of the appeal here now; you cannot consume your own smoke entirely as you say you wish to do or some of you wish to do. It would require an amending Act.

The LORD CHANCELLOR: That is why I was dealing with the situation as I was doing.

The PRESIDENT: The Lord Chancellor is speaking on the assumption that the law remains as it is now.

Mr. FISHER: Yes, that question is not raised here.

The PRESIDENT: No, it is not raised.

The LORD CHANCELLOR: Will the Conference now allow me to suggest my own idea? My idea is that we should add to our highest court of appeal both for the United Kingdom and for the Dominions and Colonies by selecting two English judges of the finest quality we can find and that there should be a quorum fixed, say, of five, for sitting in the Privy Council. I do not mean that the court should be limited to five, indeed, I should contemplate that it would be generally stronger and that it should sit successively in the House of Lords on the United Kingdom appeals and in the Privy Council on appeals from the Dominions. So that, substantially, you would have the same court sitting both for our appeals and for your appeals.

Viscount HALDANE: In its full strength in each case?

The LORD CHANCELLOR: In its full strength.

Mr. BATCHELOR: And adopting the same practice of giving individual judgments in both cases or the same. I do not much care which way it is.

The LORD CHANCELLOR: I should say that would be according to the feeling and wishes of those whose cases are adjudicated. I do not know whether in England it is desired to alter the practice so as to have one judgment in the House of Lords.

The PRESIDENT: I do not think it is.

The LORD CHANCELLOR: I do not think it is.

Sir JOSEPH WARD: What representation from the Dominions do you suggest upon that point? You have not stated that.

The LORD CHANCELLOR: I thought I had stated that. What I mean is that if any Dominion wishes its cases to be heard by any class of judge at all, its own judges, we should certainly meet that. All that New Zealand, for example, would have to do would be to say: "We desire that a New Zealand judge should be present in New Zealand cases."

Sir JOSEPH WARD: That means that a judge would require to leave our country for about six months to take part in the hearing of possibly only one case, and in all probability that case would have been tried before him or have been before the appeal court in New Zealand of which he was one of the judges.

The PRESIDENT: Yes, that is very likely; but, Sir Joseph, supposing you had a New Zealand judge here always, the one chosen for the purpose, he has no special acquaintance any more than an English judge has with the systems of law which are administered in Canada and South Africa.

Sir JOSEPH WARD: That is so, but he would have with the New Zealand law.

The PRESIDENT: Nor has he any special acquaintance with the system of law administered in the United Kingdom.

Dr. FINDLAY: There is a good deal of community of law between us and Australia particularly in regard to the land question.

The PRESIDENT: No doubt in Australian cases he would be more or less at home—I am only throwing this out—but he does not appear to have any qualification which would not be equally possessed by an ordinary English lawyer for disposing of South African, Canadian, or Indian cases.

Sir JOSEPH WARD: Excepting that the procedure, as a rule, has been, in the absence of a judge from our country in cases of New Zealand law, only such portion of the New Zealand law as the counsel put before the judges was really considered. That has been the usual procedure I understand from the official communications I have read.

The PRESIDENT: That is rather an argument for having him to hear New Zealand cases.

Sir JOSEPH WARD: That is why I want to have him there, to take part in hearing New Zealand cases.

The PRESIDENT: But it does not seem an argument for having him there in other cases.

Sir JOSEPH WARD: I see the point you raise all right, but it does seem to me to be a bar to any proposal so far as New Zealand is concerned, that a judge should come over here, taking nearly six months to do it, to take part in the hearing of possibly only one case.

The LORD CHANCELLOR: I do not suggest that; I only suggest that if you wish it that could be done. But I go further, and if the Canadian or the South African Governments wish that there should be a New Zealand judge sitting on their cases I am perfectly willing.

Sir JOSEPH WARD: We do not object to a Canadian or South African judge sitting, as far as we are concerned, and dealing with New Zealand cases, but in practice the result would be that we would be debarred from taking any part in a proposal such as you have suggested, I am afraid.

Viscount HALDANE: Sir Joseph, I had an experience when I was at the Bar in a great many cases from your country, which it seems to me is not irrelevant. There was a great case about the Maori Land Acts, an intricate and complicated case, which lasted 10 days over here. It was an appeal from the Supreme Court, and an appeal in which the opinion of the Chief Justice was involved, so that he could not have sat, but it would have been very useful if you had sent us a judge of experience in those cases, for that case, as assessor, simply to make us quite sure that we had missed nothing. The case was very thoroughly done by a strong tribunal, and lasted 10 days here, but that case could have been taken at another period on notice being given; you might have said "Please take it three months from now, and we will arrange that the judge comes over"; and if you had sent us an assessor for that case, it would have been really all that was wanted in order to make sure that every point in that very interesting and intricate mass of statutes was seen to. But the other cases that I remember which came from New Zealand where for the most part cases turning upon the broad principles of English law or equity.

Sir JOSEPH WARD: I know the case Lord Haldane refers to quite well. The class of cases which will come here, as a general rule, are cases connected with the native lands in New Zealand. It is well known to the legal profession that they are subject to tremendous differences of opinion, and both the courts in our country and the legal men in our country hold very decided opinions in various directions upon the issues which require to be settled. There is a feeling in New Zealand, right through the country, that it would be of the greatest importance to us if one of our judges

were sitting in a properly constituted court here when those cases come along, to enable, not the native law to be interpreted for the home judges, because they can interpret the native law as well as our judges can, but there are the customs of the natives which come in, and a mass of extraneous things which come into our own courts which require to be considered, and those cases are bound to be fairly numerous.

Viscount HALDANE: Is not that a case which the Act of 1908 meets? Any experienced judge who has not sat and pledged himself to his opinion in the court below is all we want. After all, when you get the statutes and understand them, it is a mere question of the construction of the words.

The LORD CHANCELLOR: I do not in the least dissent from what Sir Joseph says: it is desirable and I should like very much to have a New Zealand judge present when a New Zealand case, especially one of that kind, was being heard. That is one thing I perfectly agree, but it is quite a different thing to say that there ought to be a New Zealand judge present when there are Canadian cases and South African cases and Australian cases being tried. If the Australian, the South African or the Canadian Governments wish it—by all means; it is not for me to say that it ought to be so; it is for them to say. That is the proposition I am making.

Mr. FISHER: Mr. Asquith, it is quite evident that we are discussing the two propositions together.

The PRESIDENT: Yes, and perhaps it is more convenient to do so.

Mr. FISHER: So long as it is understood.

The PRESIDENT: This is not distinctly raised by your resolution, I think?

Mr. FISHER: No, we simply say there should be a court.

The PRESIDENT: You want to have one court?

Mr. FISHER: That is it.

The PRESIDENT: The Lord Chancellor's suggestion is that you will have what you want really because you will have the same court sitting in two different places, not side by side.

Mr. FISHER: My colleague does not object to the general discussion, only we will have to understand that we are dealing with both at the same time.

Sir JOSEPH WARD: No, I want to deal with the other one separately.

The PRESIDENT: Yes, but what is being said just now is relevant, and all the discussion has been with regard to the second one. It has diverged into that.

The LORD CHANCELLOR: It is very difficult to treat them separately; there are the two different propositions but they are related to the same subject-matter, and what I have been trying to do has been to present a general view of the whole thing and to indicate what we are prepared to do.

Sir JOSEPH WARD: It is very interesting and valuable.

Mr. FISHER: I should like to add that they are not in conflict, in fact they are the same resolution in two parts. We decide that there should be a Court of Appeal and I think you agree in that.

Sir JOSEPH WARD: Yes.

Mr. FISHER: Then the constitution of the court is another matter.

The LORD CHANCELLOR: Practically this would be a court of appeal sitting in two separate divisions, but the amalgamation of the two is a matter which would very easily follow if you found that all the Dominions and the United Kingdom agreed to it afterwards. That is the way in which the matter stands I think.

Viscount HALDANE: The great point of the Lord Chancellor, as I understand it, is that you would have the whole strength in each division at a time; it would not be the personnel divided into two divisions sitting concurrently, but you would have the whole strength for an average case in the Privy Council for a period, and for a period you would have it in the House of Lords, so that it is a mere question of form and name.

The PRESIDENT: That would meet the complaint which I myself in old days when I used to practise a good deal before the Judicial Committee used to hear. I used to be in a good many New Zealand cases, and a great many Australian ones, and the complaints we used to hear from our clients out there were that it was what they called a "scratch" court, that the judicial strength was in the House of Lords, and that the Privy Council got what was left over. They complained also, and I think sometimes not without reason, that the court was too few in number. We have argued these cases in old days before three judges, and that is very unsatisfactory when you are appealing from a body like the Supreme Court of New South Wales it seems to me.

The LORD CHANCELLOR: I think there is a change with regard to that. I think the court is now always constituted fairly strongly, although I should be glad to have the additional strength I have referred to—two more judges—which would be very valuable.

Viscount HALDANE: It would give six or seven.

The LORD CHANCELLOR: Yes.

Mr. FISHER: I think I have heard some very injudicial language from judicial persons on that very point as to the strength of the court.

Dr. FINDLAY: Your predecessor.

The LORD CHANCELLOR: All I can say is that we try, for instance, to make a fair division of our strength when we have to divide. For instance, to-morrow the Judicial Committee is sitting and so is the House of Lords, and I will tell you the composition of the two bodies; this has arisen and it will give you an illustration. In the House of Lords to-morrow there will be Lord Atkinson, Lord Corell, Lord Robson and myself, and in the Judicial Committee of the Privy Council which is taking Indian cases there will be Lord Macnaghten, Lord Shaw, Mr. Ameer Ali the Indian Judge, and Lord Mersey. When the Dominion cases come on Mr. Ameer Ali does not sit and Lord Haldane will take his place. Now I think that is a pretty fair division of the judicial strength.

Mr. BATCHELOR: Is it not possible that the same point of law might come up before both those courts and different decisions be given?

The LORD CHANCELLOR: It never has happened. That, of course, is incidental to any court that is sitting in two divisions, but that never has happened. I do not know and I do not believe there is such a thing.

Sir JOSEPH WARD: What Mr. Batchelor says would mean that the one case would require to be brought before two separate courts in England and in practice that could not be.

The LORD CHANCELLOR: That would not happen.

Dr. FINDLAY: The objection we feel in New Zealand to the one judgment is probably based on an entirely erroneous assumption. It is sometimes assumed that the Member of the Committee who has least to do writes the judgment and that there is not very much discussion before the judgment is written.

The LORD CHANCELLOR: I assure you that is wrong.

Dr. FINDLAY: I realise that probably the assumption is wrong.

The LORD CHANCELLOR: It might be as well that I should tell you what happens in the interior. Sometimes before the Privy Council the cases are quite obvious, and we are all agreed at once and the judgment is delivered at once. But that is not usual; as a rule, as you know, time is taken to consider these cases, and in the House of Lords they are mostly considered judgments for the final decision of any case. I do not mean to say for giving leave to appeal or anything of that sort. We meet, we sit there and discuss the whole thing from top to bottom always after the case is heard and the counsel have withdrawn. We discuss it, and agree to the lines upon which the case is to be decided. If there are dissents, which there are not often (dissents are rare), the point of view of the dissentient judge is weighed, considered, and discussed. Sometimes we put it back in order to have a fresh discussion if it is necessary, and after having fully discussed it and agreed together the lines upon which the judgment is to be drawn, one, mostly taken in rotation, of the judges who sit writes the judgment. It is then printed and circulated to all the others for their criticism. They make their criticism if they dissent from anything, and when that has been done the final judgment is reprinted, is recirculated if necessary, and then is delivered. So that there could not be more deliberation, and it is indeed quite a mistake I assure you to suppose that there is any sort of slackness in that business. On the contrary, I am quite certain that all those who sit have a very strong sense of their responsibility. We have given the best we can. Whether it is good enough is another thing.

Dr. FINDLAY: I apprehend the idea is quite erroneous, but in the absence of any other judgment than the one, it is sometimes difficult to pick up from a Privy Council decision the real *ratio decidendi* of the judgment. In *Clouston* v. *Corry* the other day, which came before the Privy Council, it was a short judgment, obviously there had been an agreement amongst the judges, but the reasons were not sufficiently set out in that judgment to enable us quite to understand it. If more than one judgment were delivered, or if dissenting judgments were delivered, it would help to elucidate doubtful points which might be contained in the judgment. I think we, in New Zealand, are in favour of separate judgments.

The LORD CHANCELLOR: If it is stated that that is the wish I do not suppose there would be any difficulty at all on the part of the Privy Council acceding to it.

The PRESIDENT: Not the least.

Viscount HALDANE: It is quite easy.

The PRESIDENT: If that is the general opinion of the persons affected by the judgments.

Mr. BRODEUR: Would not that be contrary to the principle of unanimity that covers all the proceedings of the Privy Council?

The LORD CHANCELLOR: We should have to get the King's permission. It is not for me to say what His Majesty might say, but I do not suppose that there would be any difficulty of any sort made.

The PRESIDENT: It might require an Act of Parliament.

The LORD CHANCELLOR: It might, perhaps, require an Act of Parliament. I think the King's consent is necessary, because it is the King's decision in theory, of course. You will remember the form in which we put it. We advise the Crown to do so and so and so and so.

Viscount HALDANE: The rule is that anybody who does not agree and lets it out to the public that he has dissented gets into trouble. I remember Sir Fitzroy Kelly did.

The PRESIDENT: It is a breach of his oath.

The LORD CHANCELLOR: The theory is that the King's permission must be given for any disclosure by the Privy Council.

The PRESIDENT: We had a great deal of agitation in England some years ago about some ecclesiastical judgments which were supposed to have been arrived at by a narrow majority, with very active dissent on the part of various judges, and there was only one written judgment. I think there was a great deal of force in that contention.

Mr. FISHER: If we are to disturb the present arrangement, we are talking about having one court and not about the form of it.

The PRESIDENT: But these incidental points have come up, you see, as we went along.

The LORD CHANCELLOR: I was rather looking at the substance of it—that you should get the same judges with any additions that were needed from the Dominions.

Mr. FISHER: I was rather looking at the discipline of it.

The LORD CHANCELLOR: Of course, there is this to be borne in mind, that the conditions of approaching the court of appeal are quite different in different parts of the British Empire. The method of appealing to the House of Lords in England is a well known method; there is a petition, and there is a case stated, and so forth. In the different Dominions there are different methods and different conditions. In some cases you cannot appeal unless the amount at stake is 500*l.*, in others it may be 300*l.*

Mr. FISHER: That is important.

The LORD CHANCELLOR: Or 1,000*l.* In some cases, as in Australia, there is concurrent jurisdiction with the High Court, you will remember, by the statute; in some cases you may appeal direct from the State courts to the Privy Council.

Mr. FISHER: I think our High Court can take a case if there is a principle involved, even with a very small amount.

The LORD CHANCELLOR: Yes. Those conditions are different in Canada and different in South Africa. In South Africa, I think, it is only by leave that there may be an appeal, but I have forgotten.

General BOTHA: Only by leave.

The LORD CHANCELLOR: We cannot assimilate all these things without the consent of all the Dominions. They are framed upon their representations because they think it is most to their convenience, and we cannot alter them unless they wish it. If they wish it, we are quite prepared to alter it.

Sir JOSEPH WARD: Have you any objection to their being one final court of appeal? Why is there any necessity for one for the United Kingdom and one for the oversea Dominions?

The LORD CHANCELLOR: Do you mean that the House of Lords and the Privy Council should be amalgamated?

Sir JOSEPH WARD: That they should be merged.

The LORD CHANCELLOR: I think the United Kingdom has its own view with regard to that.

Sir JOSEPH WARD: Certainly, I fully recognise that.

The LORD CHANCELLOR: We have got our own system, which is a complicated and difficult system and in which there is an enormous amount of work.

Sir JOSEPH WARD: I was only inquiring whether there was any objection.

The LORD CHANCELLOR: I think probably that may come; the system I suggest may develop into that, and I should be very well pleased and very glad if it does, but I think the idea of amalgamating the Privy Council and the House of Lords is a foreign idea to our people, and I do not think our legal profession or the Chamber of Commerce, for instance, or the people at large have any quarrel to make with our final court of appeal.

Dr. FINDLAY: Have you any objection to our having the House of Lords as it is as the final court of appeal?

The LORD CHANCELLOR: I do not see any objection; it would be the same men sitting in the House of Lords.

Dr. FINDLAY: Yes, it would mean practically the abolition of the Judicial Committee, treating the House of Lords as the one final court of appeal for the oversea Dominions.

The LORD CHANCELLOR: Do all the Dominions want that?

Mr. MALAN: No.

The LORD CHANCELLOR: We cannot do for them what they do not want for themselves.

Viscount HALDANE: It is a little interesting to bear in memory the origin of this. Originally, the King was the fountain of justice for the courts in this country as for the courts of the Empire; but, just as the House of Commons filched finance from the rest of Parliament, so the House of Lords filched the judicial jurisdiction from the King, and it is by that process of abstraction, which is now a tradition of many centuries, that the House of Lords is the supreme court. Naturally and properly the King is the fountain of justice, and the Privy Council is the original form. The House of Lords has usurped its jurisdiction, and it has worked very well, and the Lord Chancellor's proposal now is in substance to make only one court, but to leave the other forms until such time—it may come very soon if one is to pay attention to what has been said recently in the House of Lords itself—as the whole judicial business is excluded from that assembly and combined in one court.

Mr. MALAN: A reference has been repeatedly made to the position in South Africa, and I would just like to give the Conference the exact position as far as the Union is concerned. Our appeals are governed by clause 106 of the Act of Union, which reads as follows: "There shall be no appeal from the Supreme Court of South Africa, or from any division thereof, to the King in Council, but nothing herein

contained shall be construed to impair any right which the King in Council may be pleased to exercise to grant special leave to appeal from the Appellate Division to the King in Council: Parliament may make laws limitting the matters in respect of which such special leave may be asked, but Bills containing any such limitation shall be reserved by the Governor-General for the signification of His Majesty's pleasure, provided that nothing in this section shall affect any right of appeal to His Majesty in Council from any judgment given by the Appellate Division of the Supreme Court under or in virtue of the Colonial Courts of Admiralty Act of 1890." The position, therefore, is this, that there is no right of appeal from our Appeal Court to any other court outside the Union. It is absolutely final.

Mr. BRODEUR: Is there any appeal from the courts of the Provinces?

General BOTHA: Yes, to the appellate division.

Mr. BRODEUR: To the Privy Council here?

General BOTHA: No.

Mr. MALAN: We have only one Supreme Court in South Africa with different divisions. One division is the Appeal Court for the Union, and for each Province we have another division, but there is one Supreme Court and there is no appeal from the appellate division of that court to any court outside the Union or to any other court. But we recognize that every subject has the right to petition his King and we act on the supposition that the Privy Council is still exercising this power of appealing to the King in person and we say that therefore, although there is no appeal as of right from our appeal court, any subject may petition the King. When a petition comes to the King here the practice now is that he sends it to the Judicial Committee of the Privy Council, and the Privy Council must then say whether they will hear the appeal, no or yes. If they give the right to appeal the case comes before them and they discuss it on its merits.

As far as the Union of South Africa is concerned we do not anticipate that there will be more than one case perhaps in five or ten years coming before the Privy Council. It will be a very special case indeed when anyone will petition the King in that form.

As regards the practice at the present moment I think South Africa is fairly satisfied. We have got a representative on the Privy Council with a strong judicial mind, and when there are cases from South Africa in which we are interested he usually takes part in the decision and as far as that is concerned we are satisfied.

Sir JOSEPH WARD: So would we be if we were in the same position.

Mr. MALAN: I am speaking now only as regards South Africa.

The PRESIDENT: How do you mean, Sir Joseph?

Sir JOSEPH WARD: They are in the happy position of having Lord de Villiers on the Privy Council.

The PRESIDENT: He is not regularly here; he only comes occasionally, and as a rule there are South African cases.

Sir JOSEPH WARD: But he sat during five years in connection with South African cases.

The PRESIDENT: In those cases, but he does not sit regularly. I understood your proposal to be, although it is rather anticipating what you have to say on your own motion, that the judge from the Dominion should be a permanent member of the tribunal and always here.

Sir JOSEPH WARD: Yes, for a term of, say, five years and then return to the New Zealand bench and another judge come for another term, and so on.

The PRESIDENT: That is not the case in South Africa.

Mr. MALAN: I would like to say this: The difference between New Zealand and South Africa is not great, because under the Act of 1895 at any moment when New Zealand wants to have a representative on the Privy Council they can ask for it; and, as the Lord Chancellor has said, there will be no difficulty in acceding to that request. So that New Zealand, under the Act of 1895, is really in the same position as South Africa practically.

Sir JOSEPH WARD: That is not quite the case. As a matter of fact the number is limited to five under the Act, and there is that number now, so that New Zealand has not a chance of doing what you, in good faith I know, suggest.

Mr. MALAN: Under the Act of 1895.

Sir JOSEPH WARD: Under that Act they are limited to five. "Under these provisions there are five Colonial judges who are members of the Judicial Committee, namely, Lord de Villiers (South Africa), Sir Samuel Way (South Australia), Sir Samuel Griffith (High Court of Australia), Sir H. Taschereau (Canada), and Sir E. Barton (Hight Court of Australia)." There is no vacancy at all.

The PRESIDENT: Sir Henri Taschereau is dead. I am not sure whether Lord de Villiers any longer comes under this. He is now a peer of Parliament, and entitled to sit in the House of Lords, so my own impression is there are two vacancies.

Sir JOSEPH WARD: Sir Henri Taschereau is put down as being on it in the memorandum sent to us dated February, 1911.

Mr. BRODEUR: Sir Henri Taschereau died a few weeks ago.

The LORD CHANCELLOR: Somebody has succeeded him. There can be no difficulty about meeting the wishes of New Zealand in regard to having a New Zealand judge in this position.

The PRESIDENT: No difficulty whatever.

The LORD CHANCELLOR: We could meet your wish about that at once.

Mr. MALAN: I was about to say that there is a feeling that the Judicial Committee is really no court of law at all. Its procedure differs from that of an ordinary law court, not only in the way in which judgment is delivered, but also in the number of judgments. There is only the one judgment. Counsel have to withdraw, and then judgment is published afterwards.

The LORD CHANCELLOR: The judgment is delivered in the presence of Counsel?

Mr. MALAN: The judgment itself is delivered in public, but the public does not know all what happens in that Chamber, whether there is a dissentient decision or not, and it is this difference in the character of the court from that of an ordinary law court which is rather objected to in some quarters. As regards South Africa, there are a few cases perhaps on record where we would have liked to know something more of what actually took place and how the judges were divided. In ordinary cases I do not know that there is very much difference. I certainly think, after what the Lord Chancellor has said here to-day, that if the same practice will be

followed in the Judicial Committee that is followed in the House of Lords, that difference in character will be removed, and that would be satisfactory.

But there is another point, and it is this, the appeal to the King has been one of the connecting links of the Empire, and it is felt that on purely sentimental grounds, altogether apart from the practical, it would be a right thing to have one final court of appeal for the whole Empire, not because it is not working well in practice as we have it now, but, as I said, on purely sentimental grounds. It may be a mere matter of form or a mere matter of name, as the Lord Chancellor points out, still in those things a great deal sometimes depends upon the name, and if it could be found convenient or practicable to have one court of appeal and make two divisions of that same court, then I think the difficulty would be solved. We have that arrangement in South Africa. In our Act of Union, as I explained, we have only one Supreme Court for the whole of South Africa, with different divisions. One division is called the Appellate Division, and then we have the Provincial Division of the Cape of Good Hope, the Provincial Division of the Transvaal, the Provincial Division of Natal, and so on; but it is one Supreme Court, and the judges are interchangeable.

The PRESIDENT: What cases does what you call the Appellate Division take? Are they cases affecting two of the Provinces?

Mr. MALAN: They take all the appeals from the Provincial divisions. There are three permanent judges of the Court of Appeal with two assessors. So that the court nominally consist of three, but when there is any necessity to increase the number, two judges from the Supreme Court Bench are added, and they form the Court of Appeal. If here you could find a name under which to combine the two courts and then have it in two divisions, one division dealing with appeals coming from the United Kingdom and the other division dealing with appeals coming from the Colonies, the Dominions or India, that would give the Lord Chancellor sufficient discretion in constituting his Bench to allow of a Colonial judge or a Dominion judge coming on for Colonial or Dominion cases, without unnecessarily hampering the final court of appeal for the United Kingdom cases. I would therefore suggest, if it could be done, to find one common name for the court of appeal for the whole of the Empire, but to have two divisions of it, one dealing with appeals from the United Kingdom and another one dealing with appeals from the rest of the Emipre.

Mr. BRODEUR: I may say that as far as Canada is concerned we have never strongly urged any change, and we are generally satisfied with the appeals which are taken to the Privy Council and considered by that court. I must say at first that a change would be rather difficult as far as Canada is concerned, on account of the different Provinces. The Provinces have something to say in the creation of the court, or in the granting of appeals to the Privy Council. Every Province has its own jurisdiction in that matter. By the British North America Act it is provided that each Province has the organisation of its courts, and, as a result, it is for each Province to decide whether an appeal shall lie to the Privy Council or not. We have also a Supreme Court, which is a final court of appeal as far as Canada is concerned, and an appeal may lie to that court from the decisions of certain courts of the Provinces. Though it is provided in the Supreme Court Act that no appeal shall lie to the Privy Council, I see by the statements which have been laid before us this morning that there are a large number of cases where leave has been granted by the Privy Council to appeal from the decision of the Supreme Court. I am sure if we undertook to make change it would probably raise some difficulties or some objections on the part of the Provinces, and for my part in those circumstances I cannot very easily urge any change which would alter the existing situation. We had an idea of the jealousy with which the Provinces regard their rights in that

connection when the draft Rule which have been sent to the different Dominions were, at the request of the Colonial Office, submitted by us to the different Provinces. We found that the two largest Provinces, Ontario and Quebec, have not, so far, adhered to those Rules. They do not want to make any change but prefer to let the matter remain as it is to-day; and I suppose that is the reason for their delay in answering the request made as to the alteration of the Rules themselves, though the alterations were not very drastic or of a radical nature.

I may say that the Privy Council has given satisfaction generally in Canada and the appointment of a Canadian representative has, of course, strengthened that confidence. That change, which has been brought about by the addition of a representative of Canada, has, I think, manifest advantages to the Bar, to the Colonial suitors, and to the Bench also, and similar advantages might accrue to the Judicial Committee from the presence of representatives of other Dominions having knowledge of local laws and conditions. As has been said, various systems of law are in existence in the British Empire. As far as Canada is concerned we have two different systems; one is the British Common Law, which is in force in some Provinces, and we have also in the Province of Quebec a Civil Code based upon the Coutume de Paris and the French Code which is commonly called the Code Napoleon. I may say that anyone who has been practising before the Privy Council has been impressed with the great breadth of mind which pervades the members of that court. They have shown profound science in dealing with the principles of the different systems of law—at least as far as we are concerned. I suppose the great opportunities that they have in the British Universities of mastering the different systems of law, and of making a close study of the Roman, French, and English laws, make the members of the Judicial Committee of the Privy Council eminently qualified to administer laws which are so different in character.

As to Canada, there is no part of Canada more pleased with the decisions of the Privy Council than the Province of Quebec. Though the judges of the Privy Council are supposed to be more versed in the British Common Law, they have shown, however, by their decisions, or by their jurisprudence, in regard to the French law, such science, as far as the Province of Quebec is concerned, that litigants prefer sometimes to come before the Privy Council rather than to go before the Supreme Court of Canada.

Judging by the statistics which are now before us, Canada seems to be largely interested in the appeals which come before the Privy Council. I find that in 1910, out of 33 cases 21 came from Canada. In 1909, out of 43 cases 23 came from Canada. In 1908, 16 out of 50 cases came from Canada. In 1907, 21 cases out of 42 came from Canada, and in 1906, 25 out of 55. So you see we are greatly interested in the judgments of the Privy Council. Those statistics also show that there have been more appeals from the decisions of Provincial courts than from the decisions of the Supreme Court. Some suitors in the Provinces, instead of going to the Supreme Court, come direct to Great Britain, and have their cases decided here by the Privy Council; so it shows, on the whole, that the people are very much satisfied with the existing system.

We had a law passed some years ago authorising the Canadian Government to refer to the Supreme Court constitutional questions which are constantly arising as to the relative powers of the Provinces and of the Dominion. I am sure that those references would not be acceptable by the Provinces and of the Dominion if it was understood that in all those cases after the judgment of the Supreme Court is rendered we would not have an opportunity of asking leave from the Privy Council to hear the case. I have two cases in mind. There is one case concerning my Department—a question of fisheries—which is now, in virtue of an agreement reached between the Dominion Government and the Provincial Government of British Columbia, referred to the Supreme Court, and it is understood between the two that

the one who fails before the Supreme Court in their contention will have the opportunity of coming before the Privy Council to ask for leave to appeal. That shows you the satisfaction or confidence that the people have in the judgments of the Privy Council.

I believe, on the whole, that any change might at first be resented by the Provinces who claim absolutely and certainly the right of dealing with appeals. Secondly, I think it would reflect upon the court that we have to-day, and which is giving us satisfaction. I think, also, it may perhaps not be advisable to change a system which has been in existence now for a number of years, and which has been giving satisfaction. Perhaps, also, I might urge that it would not be opportune for this Conference to try to deprive the House of Lords of one of the rights and privileges which it is enjoying to-day. The House of Lords is a question which appertains entirely to the Imperial Parliament, and I think perhaps it would not be opportune for us just now to raise the question of changing or increasing or decreasing the powers and privileges now enjoyed by the House of Lords.

Sir JOSEPH WARD: I would like to make it clear at the inception of the observations which I propose to make, that in submitting a resolution suggesting a change, I have certainly never had in my mind, nor have any of my colleagues in New Zealand, the idea that the Privy Council has not done its work well or that we were dissatisfied with the work of the Privy Council. My own opinion is that the Privy Council has given general satisfaction as far as we are concerned, and I should be very sorry to adopt the assumption of my friend, Mr. Brodeur, who has just spoken, that if we suggest the making of a change it is to be regarded as a reflection upon the existing institution. If that line of argument were to be applied to everything which we attempted to change, then we should never make any progress at all in anything.

I am approaching this matter from the New Zealand standpoint without the slightest idea of reflecting either upon the Privy Council or the individual members of the Privy Council who have dealt with any of the cases that have been brought before it from New Zealand; but one of the primary causes for our urging a change is that we are singularly peculiar in one important matter—we have about 7,000,000 acres of land in our country which is owned by natives. There are about 47,000 natives in New Zealand, and it must be obvious to anyone that in a country whose general area is not very large, where we have land to the extent of 7,000,000 acres, the proprietors of which are a different race to the Europeans, there is a great amount of litigation from time to time, and appeals have been made to the Privy Council in the past, and will be made in the future.

Our people in New Zealand—those who are specially concerned in the administration of the native affairs of the country, and also many members of the legal profession—while not in any way reflecting upon the decisions of the Court of Appeal, which they accept in all loyalty (and rightly so, coming from a body of that kind), consider that in matters relating to native land which come before the Privy Council here, what is a custom, as far as the native law in New Zealand is concerned, may not in the ordinary sense be fully recognised by the Privy Council when dealing with those laws. Custom is considered in the preparation of them in New Zealand and the passing of them through the Legislature. One of the things we have to consider in making provision by statute for dealing with native lands is the custom of the natives. In our own courts, though the actual custom cannot of itself be taken as against the law, it is quite a common thing for evidence to be called upon what the custom of the Maori is in connection with the lands that may be held either under the communistic system, or by individuals. The position is entirely different in most countries as to the way in which land is administered, and for that reason, as we have found it necessary to introduce this important question of custom when dealing with the laws

controlling the native lands in New Zealand, we have felt from time to time—and I could cite cases bearing on the point I am trying to make, but I think it is not necessary to do so—that when these important cases relating to land and vitally affecting the interests of both Europeans and natives are sent to the Privy Council by way of appeal, in the absence of knowledge of the customs which exist (and it could not be expected to be otherwise) a representative judge from New Zealand, familiar with the customs of the natives and familiar with the laws and the difficulties surrounding them, would be of immense advantage to the Privy Council in fully understanding the position before giving judgment. Therefore, speaking for the people of our country, I think it would be a good thing if we had a system of representation by one of the judges of our Supreme Court upon the Privy Council.

The PRESIDENT: You are speaking to your own resolution now, Sir Joseph?

Sir JOSEPH WARD: Yes. My resolution can be put afterwards: I do not propose to debate the matter twice.

The PRESIDENT: You do not want to say anything about the Australian resolution?

Sir JOSEPH WARD: The two resolutions have been dealt with together, and I cannot do otherwise than deal with them together, as the Lord Chancellor treated them in that way.

The PRESIDENT: Yes, I think he set the example, and it is for the general convenience that they should be so taken.

Sir JOSEPH WARD: Yes, I recognise that they had better be treated in that way, and I do not want to have a double discussion upon it. Another important matter which has been referred to the Privy Council, and upon which a decision has been given to which exception has been taken by people well qualified to judge, is the question of land transfer in New Zealand. I remember a case perfectly well where a decision of the Privy Council was given interpreting a rule quite contrary to the interpretation that has ever been given to it in New Zealand. Such a decision given upon an important matter like that by the Privy Council here was, and I say it with all respect, looked upon by many people in our country well qualified to judge, as a wrong decision. I have no hesitation whatever in saying that if a judge of our Supreme Court had been associated with the Judicial Committee of the Privy Council in that important matter, he could have supplied information to his brother judges which would, to say the least, have been very valuable to them, even although they might have adhered to the same decision.

With regard to the suggestion of merging the Judicial Committee of the Privy Council and the House of Lords, as the Lord Chancellor expressed the view that it was not practicable, I shall, under the circumstances, defer to his statement at once, and I will not attempt to press the proposal for that merger; but I would urge that in addition to the present members of the Judicial Committee of the Privy Council, there should be a permanent judge for each of the important oversea Dominions—one for Canada, one for Australia, one for South Africa, and one for New Zealand. The Lord Chancellor invited each part of the Empire to judge for itself what kind of tribunal it wished to have, and in response to that invitation I want to state the kind of tribunal I wish for as far as New Zealand is concerned. The difficulty I see in regard to the suggestion made by the Lord Chancellor that a time should be fixed for the taking of the New Zealand cases in order that a judge might come over from our country for the purpose of hearing those cases, is that he would be, or might be, coming over to take part in the consideration and decision of a case or cases which

had been before him in his judicial capacity in New Zealand. I do not believe the itinerary system of a judge coming over to this country would meet the position of New Zealand in a satisfactory way.

Members of the legal profession, and other gentlemen too, will see the point I am making; it would never do to have a judge coming here to form one of the tribunal on the re-trial of a case in which he had taken part in our country. In my opinion, the only way in which the position can be improved, as far as New Zealand is concerned, is by having a permanent appointment made of a judge here, not for life, but for a period of five or seven years, at the end of that time the judge returning to his own country and again taking up his work in the Supreme Court there, and another judge coming here to take his place. Let me point out what would be the outcome of such a system, apart from the advantage it would be in regard to important cases to be dealt with coming from New Zealand. There is admittedly very strongly evidenced at this Conference a desire to have uniformity of laws, and co-ordination of laws, as far as it is possible for us to have it. If, from the point of view of each portion of the Dominions, that uniformity is wanted as a valuable addition to the present system, I do not know of anything that could do more good than the appointment of a representative judge from the respective countries I have referred to. When going into the question of the assimilation of the laws and the unification of the laws as far as possible, having regard to the different considerations applying to the position of the different Dominions, I do not know of any section of men who could do such valuable work in this respect as the judges from the different countries. In the case of South Africa, I concede to Mr. Malan, who spoke upon this matter, that they have got practically what they want by the fact of Lord de Villiers being a member of the Judicial Committee of the Privy Council; but that is no reason why they should not be agreeable to the rest of the Dominions getting into as good a position as they themselves now are in that respect.

The PRESIDENT: Let me point out, again, that Lord de Villiers is not permanently or temporarily resident in this country, he only comes over here very occasionally; whereas your proposal, as I understand it, is that there should be a judge from each of the Dominions permanently quartered here for the term of five years, sitting upon the Judicial Committee of the Privy Council, at any rate—I do not know whether the suggestion extends to the House of Lords also.

Sir JOSEPH WARD: No, only to the Judicial Committee.

The PRESIDENT: I do not know whether your proposal extends to his sitting to hear English appeals as well?

Sir JOSEPH WARD: No; I say let the English appeals be kept in a separate category, as suggested by the Lord Chancellor.

The PRESIDENT: But such a judge is to sit and hear appeals from the Dominions, say, from South Africa, for which special leave has been granted; because you will remember that under the Constitution of South Africa, as we have been reminded, there is absolutely no right of appeal at all: and Mr. Malan said, I think, that he did not think there would be more than one appeal in perhaps four or five years, because the appeals would only be heard on special leave being granted by the Privy Council. Is it your proposal that we should have a judge from South Africa as a permanent member of the Judicial Committee of the Privy Council when the probability is that from South Africa there will not be more than one appeal in five years? Is it really a profitable employment of the time of an eminent South African lawyer that he should be kept here for that sole purpose?

Viscount HALDANE: At an expense to his Dominion of £5,000 or £6,000 a year.

The PRESIDENT: We have not had the question of expense dealt with at all yet.

Sir JOSEPH WARD: I propose to refer to that question presently. I cannot put myself in the shoes of South Africa, and I do not presume to do so; but as far as New Zealand is concerned I believe that there should be no such thing as a final appeal court in our country—I am not attempting to have a final appeal court in New Zealand at all, for good and sufficient reasons in my opinion, our final appeals should be sent to the Home authorities—the Privy Council—in the absence of a merger with the House of Lords. I suggest this alteration, namely, the trial of our own cases with one of our own judges as a member of the tribunal, in order to meet what is a strong feeling in New Zealand which has been felt for some years past.

On the question of the expense I think it would be incomparably better from a New Zealand standpoint that we should pay our own judge a proper salary, and his expenses while here. Considering the many hundreds of thousands of pounds worth of property involved in the cases which will have to come to the Privy Council in future in connection with the class of property and the section of the community I have mentioned, the question of the expense is a secondary point when you consider the enormous interests involved. Moreover, as far as New Zealand is concerned, we should hail with supreme satisfaction, in dealing with all the oversea cases referred for appeal to the Privy Council, the idea of a judge from each of the other Dominions referred to sitting to hear a New Zealand case, because there is no reason why any of the New Zealand representatives should have any fear about the judges from other Dominions outside the particular one they represent taking part with the Judicial Committee of the Privy Council in deciding cases affecting their country. As far as New Zealand is concerned I should not object to that for one moment.

On higher grounds I believe myself that the judges from the respective countries, if they were here, would do an immense amount of good in the direction of bringing our countries still closer and closer together. If we had men occupying such high judicial positions, I should assume that an Imperial link, through the judiciary, would be formed, and, by the process of assimilation of the law, where it was possible to do so, they would by degrees do an immense amount of good to all portions of the British Empire.

As far as I am concerned, I concede at once that the suggestion the Lord Chancellor has made, that a judge of our Supreme Court should come here, perhaps once a year, our cases being held over to enable him to hear them, would, in practice, be unworkable from our point of view; and, moreover, I am inclined to think it would not meet with the approval in New Zealand while a wider and broader scheme certainly would. I should be glad if my colleague, Dr. Findlay, would speak upon the matter.

Dr. FINDLAY: I will only add a few words to supplement what has been said by Sir Joseph Ward. This matter presents itself to us in the double aspect of form and substance. There can be no doubt that in New Zealand, and I apprehend in Australia, it would satisfy a growing sentiment if one final Imperial Court of Appeal were established. No doubt that is largely a matter of sentiment, and probably, as the Lord Chancellor has explained, the personnel of that court would differ very little, if at all, from the personnel of the present Privy Council, but it would seem to the different outlying parts of the Empire a step towards closer unity if there were His Majesty's Imperial Court of Final Appeal to which people both of the United Kingdom and of the self-governing oversea Dominions and the Crown Colonies came as a final tribunal. I understood from the Lord Chancellor that although that does not seem to be immediately practicable it is not altogether entirely out of his horizon.

The other branch of this matter is one of substance. There can be no doubt that, while there never has been the faintest suggestion that the Privy Council has been

wanting either in patience, or in knowledge, or in legal attainment, there can be also no doubt that on various occasions they have entirely misinterpreted certain branches of the law of New Zealand. It may seem somewhat presumptous to make that statement, but that at least is the view of the legal profession of New Zealand and the judges. The difficulty of removing that defect, of course, is great, and the view suggested by Sir Joseph Ward that one of our judges, for instance, should be resident in London for a period of from five to seven years would have more than one advantage. First, it would obviate our sending home, as we do now so freely, Counsel from New Zealand to see that the Privy Council are instructed on peculiar features of our law. Litigants are put at present to very great expense indeed.

Lord Haldane is aware that in earlier years I came over to be associated with him, and other members of the New Zealand Bar have come over, believing it was essential that one who had spent his professional life in interpreting peculiar parts of our law should be here to add what light he could to the arguments in the Privy Council. That is a pretty heavy burden on our litigants; and the New Zealand Government feel it is their duty to relieve litigants as far as possible of that burden. If, therefore, a judge of our Supreme Court were resident in London for a period of from five to seven years, and he had a right to sit upon appeals not only from New Zealand, but from the other self-governing Dominions, his time would be fairly fully occupied. There would be, roughly, one appeal every week to be heard. I do not apprehend that the other oversea Dominions would object to a New Zealand judge being associated with the English judges in trying their appeals, any more than they object now to a judge who has spent his life in India having a seat on the Judicial Committee of the Privy Council. If the burden were borne by New Zealand I apprehend there would be no objection on the part of the British Government.

So the first question really is, I suppose, this: are the oversea Dominions agreeable to a judge from New Zealand sitting upon their appeals if we in turn are agreeable to a judge from their Dominions sitting upon our appeals, the expense, of course, to be borne as I have suggested?

There is another feature of this matter which I think meets the objection which Mr. Asquith made. Why should the Imperial Court of Appeal be entirely paid for by this country? The Privy Council is as much part, I take it, of our judicial system as it is of yours. If a tribunal of that kind is to be maintained, is it anything unfair to ask us to contribute our portion in the shape of paying one of the judges of that tribunal? I apprehend on any fair conception of the burden of Empire there should be no objection. We feel strongly that the presence of one of our judges would be helpful in more directions than the one of interpreting our law. He would possibly be able to confer with the judges from Australia, South Africa, Canada, and Newfoundland in helping to bring about that uniformity of law which forms a large part of this agenda paper; and, again, meetings of the judges from the oversea Dominions would be a substantial contribution to closer Imperial unity. Their presence in London for five or seven years, in more or less daily contact, would be a great gain to the growth of real Imperial unity, and to the devising, possibly, of some closer means of making that unity effective.

There is, moreover, this phase of it. If a judge coming from Australia or New Zealand could spend five or seven years here it would be to him an education in your system, and possibly the light he might bring the the New Zealand judicial system might be some addition to the light of the judges on this side. There have grown up with us, as must be the case in every British country which is following its own destiny, divergent lines between your law and ours, and it is probably difficult for a lawyer in London to completely understand our judicial system, as it is sometimes difficult for our lawyers to thoroughly understand yours. If, then, there could be this union of the judges of the oversea Dominions in London, I urge upon the members of the British Government present that it would have more than the aspect

of membership of this tribunal; it would be some contribution, and a valuable one, to a better understanding of the oversea Dominions, and possibly to the discovery of a closer organised system of Imperial unity which Sir Joseph Ward has been trying to impress upon us at earlier meetings.

For those reasons I should like to know whether Canada, Australia, South Africa, and Newfoundland would object to the system of a judge from each of those self-governing oversea Dominions, sitting upon the appeals of each of the other countries, so that these five judges should be associated with the judges of the Privy Council to hear appeals from all these oversea Dominions, and, if you like, from the Crown Colonies as well. If so, there would be enough to do, I take it, all the year round, and the other advantages I have mentioned would flow from the proposal.

Sir EDWARD MORRIS: I should just like to say that, in the first place, as regards the Privy Council, we have had practically every satisfaction that could be desired in the matter of appeals from Newfoundland. But, at the same time, if there was a desire for a change on the part of the other Dominions who have very much more work before the Privy Council than we have, I should not consider that I would be justified in voting against any resolution.

Now as to the first resolution, proposed by the Commonwealth of Australia, it would appear to me that as regards the final part of it: "which should also be a Final Court of Appeal for Great Britain and Ireland," after what has been said by the Lord Chancellor it is hardly a practical matter now for us to discuss. It is really more a matter to be taken up by those representing the Imperial Government, as to whether, if any change is to take place, it should affect the English appeals. But as regards the first part of the resolution: "That it is desirable that the judicial functions in regard to the Dominions now exercised by the Judicial Committee of the Privy Council should be vested in an Imperial Appeal Court," there does not appear to me to be any very great objection to it, because after all it is merely a change of name. Instead of calling it as now the Judicial Committee of the Privy Council, you would call it an Imperial Appeal Court. The Lord Chancellor asked the question what would the various Dominions prefer? While there can be no possible objection, if it can be arranged, for each Dominion to have a representative on the permanent Court of Appeal or on the Judicial Committee of the Privy Council, I entirely agree with Sir Joseph Ward that if the change is to take place, if there is to be any alteration, the new appointees representing the Dominions ought to be permanent in order to make them absolutely independent—not for five years, but for life; and, further, they should be paid in such a way—not alone by salary but for the period of their appointment—that they should have no interest whatever in the matters on which they would be called upon to pass judgment.

As I say, we have probably only an average of one case a year, and up to the present time we have had very great satisfaction indeed; but, as has been suggested by the proposers of both these resolutions, the principle is in harmony with the general sentiment of unification which seems to be in the air, and seems to be largely the motive behind the various resolutions that we have been considering. If there is no very special objection to a remodelling of the Judicial Committee by having permanent representatives of the Dominions upon that committee I should not see any objection to it.

Now it seems to me that the matter was very fully gone into at the Conference in 1901, presided over by Mr. Chamberlain, who was then Colonial Secretary, and in this memorandum of correspondence which has been laid before us, the whole matter is summed up on page 25, signed by all the delegates then present, and it was a unanimous recommendation with the exception of Judge Emerson.

The PRESIDENT: I believe Mr. Fisher has some proposal to make, but before he makes it I should just like to put to you individually, as representing your different Dominions, this proposition which has been put forward by Sir Joseph Ward.

Sir Joseph Ward's proposition, you will clearly understand, is this: that each of the Dominions should have permanently, or, at any rate, for a number of years, but permanently during that time, here in London a judge of its own, representing itself, who should sit upon the Judicial Committee, or by whatever title the Imperial Court of Appeal may be styled, to pass judgment not only upon appeals from his own Dominions, but upon appeals from all other parts of the Empire.

Sir JOSEPH WARD: The oversea Dominions.

The PRESIDENT: The oversea Dominions. I think it is very desirable that we should ascertain whether that proposal does or does not commend itself to the other Dominions. What do you say?

Mr. BRODEUR: So far as Canada is concerned, in view of the different systems of law that we have there, as I have already explained, we are perfectly satisfied with the Judicial Committee of the Privy Council as composed. I am afraid if the court was composed of members who would not have the same opportunity of mastering the different systems of law as those who now hear our cases it would not give the same satisfaction.

Mr. FISHER: We desire to have an Australian Court of Final Appeal. Not having that, we prefer to have one Court of Appeal here. As regards having an Australian judge here I shall certainly not commit myself to that under any circumstances. Of course that is the point the Prime Minister put—to deal not only with our own cases but the cases of other Dominions, and I presume India and Crown Colony cases, which would be a position we could not think of.

May I make the suggestion. The discussion to-day has enlightened us a great deal, and the speeches of the Lord Chancellor, Lord Haldane, and the Prime Minister have enabled us to see that we cannot by any resolution go any forwarder, and perhaps it would be wise that we should remit the whole question to His Majesty's Advisers to submit some scheme on the lines of the opinion of the Conference. Have we got their opinion on this particular point?

The PRESIDENT: Yes. I think there is general agreement upon the other points. What does South Africa say on this particular point about sending a judge here?

Mr. MALAN: The Union of South Africa would certainly never send a man to reside in London to serve on this committee.

Sir EDWARD MORRIS: I think I should take the same view—that we would not be prepared to pay a man and send him here for that purpose.

The PRESIDENT: I think the balance of opinion is against the proposal.

Sir JOSEPH WARD: May I ask if you will kindly state your opinion upon the suggestion that a judge should be sent from New Zealand, allowing the accumulation of cases to wait for him, and for him just to try those cases and then go back again? Do you think that is practicable?

The PRESIDENT: If you appeal for my personal opinion I would much prefer an arrangement of that kind to the proposal of sending a permanent judge here. I am perfectly satisfied myself, and I find it is the opinion of the representatives of other Dominions, that it would not give any increased confidence on the part of the Empire generally in the decisions of this tribunal if they were participated in by judges representing other systems of law with no special knowledge of the particular system at issue in a particular case. On the other hand I quite sympathise with Sir Joseph Ward's feeling, and I am sure the Lord Chancellor does that in regard to cases coming from a particular Dominion like his own, although the tribunal, he

admits, is conscientious and industrious, and does its best to inform itself, it has not the means at its disposal to get the fullest and most accurate information about that particular system. Therefore I am sure, if say, the Dominion of New Zealand, on this special land question and this complicated network of land laws thinks it desirable that in the case of New Zealand appeals there should, if found practicable, be a New Zealand judge, we should be most anxious to defer to that.

Although the difficulties are considerable, I do not see that they are insuperable. Certainly the judge selected should not be one who had been a party to the decision under appeal. It would, I presume, always be the case that you would have one or more judges not actually parties to the decision there. I should have thought that by grouping the cases, and choosing a convenient time of the year for hearing them, and giving ample notice, it might be possible to meet the difficulty in that respect, and I am sure the Lord Chancellor would welcome the assistance of such a judge.

The LORD CHANCELLOR: Yes.

The PRESIDENT: Matters could be arranged as far as possible for his convenience. That, I think, would meet your difficulty, as none of the other Dominions desire, as far as this particular point is concerned, any change in the existing system.

The LORD CHANCELLOR: May I say to Sir Joseph Ward this: I quite appreciate, if there are only a few cases—two or three cases—the suggestion seems strong that a judge should be sent from New Zealand over here to hear those cases each year. I quite agree with that. I was quite conscious of the fact that it was rather a larger order to ask for such a small result in actual business. My only reason for suggesting it was that I had anxiously thought how I could meet the suggestion that appeared on the agenda paper, that there ought to be a New Zealand representative at all events hearing New Zealand cases because of their peculiar character. I agree it seems a large thing to do for a comparatively small result, but I can say most heartily I should welcome, and the whole Judicial Committee of the Privy Council would welcome, the presence of a New Zealand judge, and we will do anything we can in order to meet that view, especially with regard to the land cases which Sir Joseph mentioned. If there is any method of arranging it we would heartily welcome it. But if New Zealand desires to send a permanent judge it seems equally difficult, because there is so little to do. We cannot, however, ask that the other Dominions shall have a court composed otherwise than as they prefer.

Sir JOSEPH WARD: I fully recognise the position of the other representatives. The difficulty I see in an individual judge coming from New Zealand, as suggested as an alternative, is this. It means that, preceding a case in which Maori lands are being dealt with by the Appeal Court of New Zealand, one of the judges of that Appeal Court would require to stand out when that case was before it, in order that when that case came here on appeal he might come to the Old Country to sit with the Judicial Committee of the Privy Council when considering that case, and my own opinion is that in practice it would be most difficult and certainly inconvenient.

The LORD CHANCELLOR: I do not know whether you are aware that in England in former times judges did sit in appeal upon their own cases.

The PRESIDENT: You do not applaud that practice?

The LORD CHANCELLOR: I do not applaud the practice, but as a matter of fact the Lord Chancellor used in the olden times to sit on appeal from himself, and occasionally reversed his own decision.

The PRESIDENT: I do not think we want to go back to that system. How many judges are there in your appeal court, Sir Joseph?

Sir JOSEPH WARD: Six judges.

The PRESIDENT: Surely you do not want the whole six to sit there to try all cases?

Dr. FINDLAY: They seem to think so.

The PRESIDENT: We should regard it as very luxurious for six judges to sit in our Court of Appeal. I should have thought you might let one stand out once in a way. However, you will try to arrange a way of dealing with that.

With reference to Mr. Fisher's suggestion, which, if he will allow me to say so, is a very excellent one; perhaps you will first allow the Lord Chancellor to give an outline of what is the suggestion—not on this point— but on the first point.

Mr. FISHER: Certainly.

The LORD CHANCELLOR: Is this the substance of what is proposed—I think it has been spoken to by all the Prime Ministers: That there should be one final Court of Appeal for the whole British Empire in two divisions, the first division for the United Kingdom, consisting of the same persons as now are entitled to sit in the House of Lords, and the second division for the oversea Dominions, consisting of those now entitled to sit on the Judicial Committee, with such further additions as may be needed. Does that represent the view?

Sir JOSEPH WARD: I should accept that.

Mr. FISHER: Practically it is that.

Sir JOSEPH WARD: I think that is the only *modus vivendi,* and that meets the position.

The PRESIDENT: I think so. Then Mr. Fisher proposes something.

Mr. FISHER: I suggest something like this: "Having heard the Prime Minister, the Lord Chancellor, and Lord Haldane on this question, the Conference remits the question of establishing one final court of appeal for all cases for consideration and the submission of a scheme"——

The PRESIDENT: "On the lines indicated by the Lord Chancellor."

Mr. FISHER: Yes.

Mr. BATCHELOR: May I say that in my view it still ought to be understood that as far as we are concerned we look towards one final court of appeal for the Empire. As to the division of it, I do not know whether it is necessary for this Conference to recommend a division. A division seems to be the only possible practical method of arranging it at present.

The PRESIDENT: For the time being.

Mr. BATCHELOR: For the time being. I think it ought to be understood that it is a proposal for the time being and not an ultimate conclusion of the whole matter.

The PRESIDENT: No, that is clearly understood.

The LORD CHANCELLOR: There is another thing, and that is, the suggestion was made about strengthening the Judicial Committee of the Privy Council and the House of Lords, or strengthening the court.

Mr. FISHER: That comes under the one final court of appeal. You are responsible for making it what it ought to be.

The PRESIDENT: As strong as possible.

The LORD CHANCELLOR: Do I understand that there is an assent to that proposition?

Mr. FISHER: On my behalf—yes.

The PRESIDENT: There is another point of which notice ought to be taken, because, as far as I know, it is the unanimous opinion of all the representatives of the Dominions that it is desirable if possible that the procedure in regard to the delivery of judgment in this branch or division of the court should be assimilated to the procedure in the other division. as indicated by Mr. Batchelor in the first instance, and assented to by all—Mr. Malan and Sir Joseph, too. Notice ought to be taken of that as being the opinion of the Conference.

The LORD CHANCELLOR: Certainly.

Mr. FISHER: You will submit, as early as possible, to the Dominions concrete views on that question?

The PRESIDENT: Yes, on all the points arising out of the development of this discussion.

Sir JOSEPH WARD: And the resolution stands over for that purpose, or is withdrawn. I have no objection to the latter.

The PRESIDENT: Your resolution had better be withdrawn, Sir Joseph. We do not want to divide on it.

Sir JOSEPH WARD: No, I concur.

The PRESIDENT: Do you withdraw your resolution, Mr. Fisher, and substitute for your resolution the one you have just read?

Mr. FISHER: Yes, I have not drafted it.

Mr. BRODEUR: It might be drafted after the meeting.

The PRESIDENT: Yes, and submitted.

Mr. FISHER: There ought to be added to that resolution words to the effect that a scheme should be submitted by the British Government to the Dominions at a comparatively early date.

The LORD CHANCELLOR: Do you mean during the present Conference?

Mr. FISHER: No.

The PRESIDENT: As early as practicable.

Mr. FISHER: I mean it should not stand over for years.

The PRESIDENT: No, we will put it in hand at once.

Mr. FISHER: We are quite satisfied with that. I have now drafted a Resolution (*handing it in*). "Having heard the views of the Lord Chancellor and Lord Haldane, the Conference recommends that the proposals of the Government of the United Kingdom be embodied in a communication to be sent to the Dominions at an early date."

Mr. MALAN: Will the resolution or suggestion, as read by the Lord Chancellor, appear on the Minutes, because that is the bottom of the whole discussion?

The PRESIDENT: Yes, that will appear on the Minutes.

The LORD CHANCELLOR: I put it as an epitome of what I thought was proposed as a basis.

The PRESIDENT: You agree that what the Lord Chancellor read fairly represents the opinion of the Conference, and that will appear on the Minutes.

Viscount HALDANE: It is understood that this final court of appeal for the whole Empire is not merely to be of the strength of the existing one. We have agreed to strengthen it and propose to add to it as the Lord Chancellor said, two highly picked lawyers.

Mr. FISHER: Two or more, just as you please.

Viscount HALDANE: Strengthening it by the inclusion of additional members in that way, and the quorum in that case becomes five.

The Law Conspiracy.

"That the members of this Conference recommend to their respective Governments the desirableness of submitting measures to Parliament for the prevention of facts of conspiracy to defeat or evade the law of any other part of the Empire; that the Imperial Government make similar representations to the Government of India and the Crown Colonies."

Mr. FISHER: While we have the Lord Chancellor and others here, I would like to formally move this resolution, and Mr. Batchelor, who is well acquainted with the question will say a word, and perhaps we shall be able to remit that also to you for consideration.

The PRESIDENT: I think so.

Mr. BATCHELOR: The position in Australia stands in this way. All the Dominions have passed laws peculiar to the Dominions and frequently cases arise where the intention and desire of the Parliaments to enforce the measures which they pass are rendered almost impossible, not by acts of persons within their jurisdiction but outside their jurisdiction. Take for instance, a case in which the matter arises in Australia. We have laws dealing with the introduction of aliens. We found that stowaways for instance, were constantly being planked on to the boats and introduced into Australia, and the real persons who were guilty of introducing them into Australia were not within our jurisdiction at all. The stowaways themselves were comparatively innocent victims; the shipowners were also innocent victims. All we could do was to still further punish the stowaways and still further punish the shipowners; but we were not getting at the people who were responsible for their introduction and really the procurers of those persons to break the laws.

The same thing happens also in the case of tariff matters. We cannot get at the people who are really responsible and who ought to bear the punishment. There are other laws of a similar nature in which the same thing arises and must constantly arise . I understand the position is that no State will enforce the penal laws of another State except by the extradition of fugitive criminals; but in an Empire like ours would it not be worth while to look into the whole question to see whether there is not a possibility of some greater amount of co-operation so as to protect the laws which any self-governing community desires to see imposed? The breaking of the laws sometimes happens altogether outside the jurisdiction. Under these circumstances, if there is any means by which we can bring about some method that would alter the present conditions, it would be desirable. In a case which was tried in Hong Kong of men who undoubtedly were conspiring to break our laws, whom, had they been in Australia, we could have punished very severely, the Chief Justice of Hong Kong said, during the progress of the case, that no indictment would lie for conspiracy to de-

fraud the steamship company as there was no attempt to evade payment of fares, and also that a conspiracy to break the laws peculiar to the statute book of Australia was not an offence within the jurisdiction of the courts of Hong Kong, and therefore he directed an acquittal. What we should like is that the matter should be referred to a committee. It is rather a difficult matter to decide in general conference.

The PRESIDENT: Yes, it is highly technical.

Mr. BATCHELOR: It is technical.

The LORD CHANCELLOR: The real difficulty is exactly that pointed out by the judgment of the Chief Justice of Hong Kong. For instance, we make in England, and you in Australia, certain laws. Any combination for the purpose of violating those laws is a breach of the law of England or of Australia as the case may be, and may be punished by the English or Australian tribunals, but supposing a law is made in Australia, then it is not an offence against the criminal law of England to combine here in order to defeat that law. If you were to lay down the broad and general proposition that, the British Empire being a united Empire, whenever in any one part of it a law was made, a combination to defeat that law in any other part of the Empire should become a criminal offence, you would enable one part of the Emipre to make laws governing another part of the Empire. That is the difficulty.

Mr. FISHER: That is the difficulty.

The LORD CHANCELLOR: And the sole difficulty.

Mr. FISHER: And the real one.

The LORD CHANCELLOR: It is a very real one, because we are all autonomous; that is the situation in which we stand to one another. That broad proposition I think you would all assent to. Therefore it imports that in each part of the Empire, if you want to make a man punishable, you must make him punishable by the laws of that part.

Mr. BATCHELOR: But you cannot.

The LORD CHANCELLOR: You cannot unless that part of the Empire concurs. In the case of the stowaways which has been referred to, I suppose it may be that the Strait Settlement of the Hong Kong Government would assent to making it an offence by their laws to violate the particular rules.

Mr. HARCOURT: As to the stowaways, I think we could probably strengthen the law, although I think in Hong Kong it is already strong enough under a different section of the Ordinance. The Attorney-General of Hong Kong believes that under section 78 of the Ordinance of 1865 they could proceed against a stowaway who falsely and deceitfully personates any person with intent fraudulently to obtain any chattel, because the stowaways constantly obtain other people's naturalisation papers.

Mr. FISHER: What about the persons engaged in the traffic in them? That is the difficult point.

Mr. HARCOURT: The steamship company?

Mr. FISHER: Yes, and other agents who traffic in them.

Mr. HARCOURT: The steamship company is punishable when it reaches Australia.

Mr. FISHER: But the outside agents who traffic in human beings to get them smuggled away are comspiring against the law.

Mr. HARCOURT: I do not think it is beyond possibility for us to get additional powers by Ordinance.

Mr. FISHER: I think we might leave it to you.

Mr. BRODEUR: I think in a case like that it could be easily done. You might communicate with the country in which this illegal business is carried on, and perhaps that country, by its statute law, would be willing to pass legislation.

Mr. BATCHELOR: It should be reciprocal.

Mr. HARCOURT: For proceedings to be taken for conspiracy?

Mr. FISHER: I have a few delicate feelings in dealing with conspiracy laws in general terms.

The PRESIDENT: I daresay you have.

Mr. FISHER: Although this is a particular case regarding smuggling alien immigrants, there are also cases of defeating our Customs Act by conspiracy in other countries, which are all very delicate questions. That is the reason why it might not be unwise to ask the Government to co-operate with us. We brought it up here because we are trying to get some *via media* to meet these cases.

The LORD CHANCELLOR: You mean by arrangement with the other States?

Mr. FISHER: As far as practicable.

The LORD CHANCELLOR: That is a matter for the Colonial Secretary.

Mr. HARCOURT: I shall be glad to communicate with Hong Kong and the Straits Settlements on this special question of stowaways and see if we can make the law even more effective than it is now. I believe there have been only three cases, involving 10 men, in the last three years.

Mr. BATCHELOR: Cases were not brought forward because it was not any use bringing them forward although we had the clearest evidence of conspiracy in China.

Mr. FISHER: We did not bring any more forward because of the decision Mr. Batchelor referred to.

Mr. BATCHELOR: That settled it.

The PRESIDENT: What you really want is that as far as possible the Imperial Government should communicate with the non-self-governing parts of the Empire. You can arrange with the self-governing parts yourselves.

Mr. FISHER: That is so.

The PRESIDENT: To see whether it is practicable for them by appropriate legislation to prevent such abuses as you have indicated.

Mr. FISHER: That is so.

The PRESIDENT: With that understanding you withdraw the resolution as it stands?

Mr. FISHER: Yes.

Adjourned to to-morrow morning at 11 o'clock.

EIGHTH DAY.

Tuesday, 13th June, 1911.

The Imperial Conference met at the Foreign Office at 11 a.m.

Present:

The Right Honourable L. HARCOURT, M.P., Secretary of State for the Colonies (in the Chair).

The Right Honourable Winston S. Churchill, M. P., Home Secretary.
Sir John Simon, K.C., M.P., Solicitor-General.

Canada—

The Right Honourable Sir Wilfrid Laurier, G.C.M.G., Prime Minister of the Dominion.

The Honourable Sir F. W. Borden, K.C.M.G., Minister of Militia and Defence.

The Honourable L. P. Brodeur, K.C., Minister of Marine and Fisheries.

Australia—

The Honourable A. Fisher, Prime Minister of the Commonwealth.

The Honourable E. L. Batchelor, Minister of External Affairs.

New Zealand—

The Right Honourable Sir J. G. Ward, K.C.M.G., Prime Minister.

The Honourable J. G. Findlay, K.C., LL.D., Attorney-General and Colonial Secretary.

Union of South Africa—

General The Right Honourable Louis Botha, Prime Minister.

The Honourable F. S. Malan, Minister of Education.

The Honourable Sir David de Villiers Graaff, Bart., Minister of Public Works, Posts, and Telegraphs.

Mr. H. W. Just, C.B., C.M.G., Secretary to the Conference.

Mr. W. A. Robinson, Senior Assistant Secretary.

Mr. A. B. Keith, D.C.L., Junior Assistant Secretary.

There were also present:

Lord Lucas, Parliamentary Under Secretary of State for the Colonies;

Sir Francis Hopwood, G.C.M.G., K.C.B., Permanent Under Secretary of State for the Colonies;

Sir C. P. Lucas, K.C.M.G., C.B., Assistant Under Secretary of State for the Colonies;

Mr. J. S. Risley, Legal Adviser, Colonial Office;

Sir C. E. Troup, K.C.B., Permanent Secretary to the Home Office;

Mr. J. Pedder, Home Office;

Mr. Atlee A. Hunt, C.M.G., Secretary to the Department of External Affairs, Commonwealth of Australia; and

Private Secretaries to Members of the Conference.

The CHAIRMAN: Gentlemen, I am asked to say that Resolution of the Commonwealth of Australia, No. 12, raises the question of the co-operation and mutual relations between the military forces of the United Kingdom and those of the Dominions. The Government of Australia have also indicated certain subjects which they desire to discuss with representatives of the War Office, and which fall under the head of the resolution. The General Staff have prepared memoranda upon certain of these subjects which affect the Dominions generally, and it has been arranged that a meeting should take place at the War Office at 10.30 to-morrow, Wednesday, over which Sir William Nicholson, the Chief of the General Staff, will preside, for the consideration of the subjects treated in the memoranda by representatives of the Dominions. Such of the Australian subjects as may require individual discussion could be taken separately at another time if desired. Any conclusions which may be arrived at during the meeting would be brought to the Conference, as was done in the case of a similar meeting held during the Defence Conference of 1909.

Mr. BATCHELOR: The subjects for general discussion are to be brought up to-morrow, and the Australian subjects can be taken afterwards.

The CHAIRMAN: If necessary, and if it is found desirable. I understand Mr. Batchelor is prepared to deal with the resolution to-day on Naturalisation.

General BOTHA: With regard to to-morrow, I shall not be able to attend, nor do I think Sir Joseph Ward and Sir Edward Morris will. I believe we have accepted an invitation to go to Cambridge to-morrow.

Sir JOSEPH WARD: Yes.

General BOTHA: The three of us.

The CHAIRMAN: I understood this fixture had been already made in consultation with members of the Conference.

General BOTHA: I did not know it.

The CHAIRMAN: Is not Mr. Malan able to take it on behalf of South Africa?

Mr. MALAN: I knew about this appointment of the three Prime Ministers at Cambridge to-morrow. If the Conference is prepared to go on with the discussion without these Prime Ministers, or if these three Prime Ministers do not object, then we could do it, but otherwise I do not think we could go on.

The CHAIRMAN: What about you, Sir Joseph?

Sir JOSEPH WARD: I shall be away. Dr. Findlay could attend.

Dr. FINDLAY: It is not a matter upon which I know much.

The CHAIRMAN: Would it be your wish to try and fix some other day?

Sir JOSEPH WARD: I think it would be better.

General BOTHA: Is it the general question that you want to discuss and advance to-morrow, or is it solely Australian subjects?

Mr. BATCHELOR: No, the Australian subjects are postponed to a later day.

Sir JOSEPH WARD: Why not take the Australian subjects to-morrow and let us have another day for the general discussion?

Mr. BATCHELOR: I do not know if that could be arranged; Mr. Pearce is taking those subjects.

The CHAIRMAN: I think we had better leave it over until the end of our sitting.

Mr. BATCHELOR: I know Mr. Pearce is prepared to attend to-morrow morning, but I do not know whether he is able to attend all day.

Sir JOSEPH WARD: What about Saturday morning?

Mr. BATCHELOR: I could not answer for Mr. Pearce.

Sir JOSEPH WARD: Let it stand till later in the day.

The CHAIRMAN: Yes. Then we will proceed with the resolution on Naturalisation.

NATURALISATION.

Australia—

"That this Conference is in favour of the creation of a system which, while not limiting the right of a Dominion to legislate with regard to local naturalisation, will permit the issue to persons fulfilling prescribed conditions of certificates of naturalisation effective throughout the Empire, and refers to a subsidiary Conference the question of the best means to attain this end."

New Zealand—

"That it is in the best interests of the Empire that there should be more uniformity throughout its centres and dependencies in the law of naturalisation."

Union of South Africa—

"That it is desirable to review the principles underlying the draft Bill for Imperial Naturalisation before its details are discussed further."

Mr. BATCHELOR: I move the Australian resolution: "That this Conference is in favour of the creation of a system which, while not limiting the right of a Dominion to legislate with regard to local naturalisation, will permit the issue to persons fulfilling prescribed conditions of certificates of naturalisation effective throughout the Empire, and refers to a subsidiary conference the question of the best means to attain this end." The resolution that was passed at the last Conference affirmed the desirability of uniformity of naturalisation as far as practicable, and decided that an inquiry should be held to consider the question further. The idea, I think, was that there should be some subsidiary conference later on, and that the details should then be determined on the drafting of an Imperial Bill. I do not mean to go into the history of this matter, because, of course, it is all within the knowledge of every member of the Conference equally with myself.

An attempt has been made by the Home Office in the preparation of a Bill which was sent round to all the Dominions, and replies and suggestions were, I think, received from all the Dominions, and they show very great difference and much divergence of practice as regards naturalisation throughout the Dominions. What

we particularly desire, and that is the Australian view which our Cabinet have decided upon, is that there should be certain things that we must lay down to begin with as regards naturalisation; that is to say, every self-governing Dominion must determine for itself whom it admits to its citizenship. We begin with that, and any kind of attempt to influence or direct any of the Dominions as to whom they shall admit to local naturalisation is no part of this Conference, but the question is solely for the individual State. Nothing could be done in the direction of Imperial naturalisation except by the Parliaments of the Dominions themselves; and we should not seek to bring about Imperial naturalisation by an Imperial law, but whatever is done should be done directly by the Parliaments of the Dominions concerned. Thirdly, we must recognise the divergence of the law in the various States; we must make no attempt to bring about uniformity of the law in naturalisation so far as local naturalisation in any particular Dominion is concerned.

We find that there are some considerable differences in the conditions under which naturalisation is effected in the various Dominions. The conditions usually laid down are that there shall be a certain length of residence which runs from five years, I think, in the United Kingdom to two years in the case of Australia.

Dr. FINDLAY: There is no limit at all in New Zealand.

Mr. BATCHELOR: No limit at all. Thus it runs from five years down to nothing in the case of length of residence. Other conditions are payment of fees—from about 5*l.* in the United Kingdom, running to nothing in Australia, where there is no fee at all charged. Then there is evidence required of good character, and that varies. The United Kingdom requires the evidence of four reputable persons. In the case of Australia we require the evidence of some official—the written evidence of some person in an official position. Then there is the very great difference in the law of naturalisation regarding the races that may be naturalised. For instance, in Australia and New Zealand, and I am not quite sure about Canada for the moment, Asiatics may not be naturalised under any conditions. There are also educational conditions laid down. Those are the principal ones.

Now it occurs to us, and I put it to the Conference, that there are a great many people—many thousands perhaps—in every Dominion of the Empire who can comply with all the conditions, the most severe conditions, and the point is whether it would not be worth while to give certificates of naturalisation to those persons who can comply with any standard that may be set up. Supposing we have a standard of Imperial naturalisation which covers the most drastic conditions —if I may use the word "drastic"—not of each, but of the whole of the Dominions, any Dominion then could give not only local naturalisation, but could grant, so long as the conditions of this Imperial standard which might be set up are complied with, a certificate of Imperial naturalisation; every one of the Dominions could do that. That appears to us a way in which we could bring about the advantages of Imperial naturalisation without having any difficulties at all about the complete local autonomy, the complete right of every part of the Dominions to determine whom it shall admit into its own country. It does not raise the question of Asiatic exclusion; it does not touch the question of the payment of fees, or any of the other conditions. We do not ask any one of the Dominions to vary its law in any degree at all, but each Dominion should carry legislation authorising, recognising, or acknowledging the holders of Imperial certificates to the full advantge of naturalisation in their communities. I do not know whether I have made myself quite clear as to what we propose , but we think that there are some very manifest advantages in having naturalisation which will run right through the Empire, so that persons going anywhere having been naturalised and having complied with the Imperial conditions need not be naturalised further. Once admitted to Imperial naturalisation that naturalisation continues, and wherever they go they are subjects of the British Empire.

In Australia and New Zealand, of course, this matter arises pretty frequently. People go across from Australia to New Zealand very readily, and it is rather absurd that they should have to take out fresh naturalisation certificates in each place. Being naturalised in Australia does not mean being naturalised in New Zealand, where the conditions are practically the same, and at present there is no means by which we can grant any naturalisation that will apply in New Zealand, nor can they in New Zealand grant anything that applies in Australia. I should think the same thing would apply to Canada and Newfoundland. Then, of course, from all the Dominions people come very extensively to the United Kingdom.

The advantages of an Imperial certificate are so obvious that there is no need to discuss the matter at length, but I think what I have suggested is a practical method by which our aim can be carried out, and at the same time do away with any of the disadvantages which have been shown would occur if there was any attempt to have one uniform naturalisation law passed either by all the Dominions separately or imposed by the Imperial Parliament. Anything of that kind would lead to some difficulties, and, so far as we can see, there would be no difficulty, and yet all the practical advantages will be brought about by the issue within the Dominions and the United Kingdom of Imperial certificates of naturalisation which will be certificates showing that the conditions of the standard, which we could set up very readily, have been complied with. There would be no need, I think, to have a subsidiary conference, as suggested in our resolution, because it would be very easy to compile from the laws at present in force a standard which could be used as an Imperial standard.

Mr. MALAN: Just for the purpose of information, supposing in Canada a man applies under the local naturalisation law, and his application is refused, would he then have a right to apply for the Imperial naturalisation certificate, and in that way defeat the local administration?

Mr. BATCHELOR: Certainly not; I do not see how that point could arise.

Mr. MALAN: But if you have two standards and two authorities issuing letters of naturalisation, how would you avoid that difficulty?

Mr. BATCHELOR: The greater will always include the less. The certificate of naturalisation could not be, and ought not to be, granted unless it complies with the conditions in every one of the Dominions. It must cover the most severe conditions which are laid down by any of the Dominions.

Mr. MALAN: Yes; but supposing, now, an application is refused on the point of character—the local authorities go into the record of the applicant, and they refuse —and this same man applies in another part of the Empire for Imperial naturalisation, and they go into his character and they grant a certificate, then this same man comes to South Africa and laughs in our faces.

Mr. BATCHELOR: But would not that be a difficulty which in practice could scarcely occur, because it would be required that a man should qualify for five years. Supposing the qualification is five years, he would have to go and reside in that other territory for at least five years in order to get his certificate. It seems to me that, as a matter of practice, would knock out the difficulty.

Mr. MALAN: Your term of five years would be five years in any part of the Empire.

Mr. BATCHELOR: No, not necessarily.

Mr. MALAN: Then I do not follow what you propose.

Sir WILFRID LAURIER: This is, in my estimation, one of the important questions that the Conference has to deal with. I sympathise in the views expressed by Mr. Batchelor, and I would be prepared to support the resolution which he has moved, although, if he will permit me to say so, before reaching a final conclusion it may perhaps be possible to frame the resolution in more apt language with a view to reaching the object which we desire.

The power of naturalisation is one of the incidental powers of sovereignty, and one of the most important attributes of sovereignty. The British Government in granting the constitutions of several Dominions has parted with this power of sovereignty and delegated it to the Dominions. It has given the power to all the Dominions of granting letters of naturalisation to aliens. That was one of the necessary incidents, I think, of the power of self-government which was given to the Dominions, and the one power which it was very important for them to have, because, being young nations and all inviting immigration, it followed as a measure of practical moment that they should have the power to grant letters of naturalisation. They have all availed themselves of that power, and each one has its own law of naturalisation, and those laws are all different, as Mr. Batchelor has said. I do not think there are two laws in all the Dominions which are here represented which are the same—they all vary.

The practical difficulty which arises at once is, as to what is to be the effect of this power of naturalisation. The power which is given to Canada, to New Zealand, and to all the self-governing Dominions, is one which is limited each to its own territory. It does not extend beyond the limits of the territory covered by that legislation. If a man from Denmark, or Switzerland, or Sweden, or Norway comes to Canada, and conforms to our laws of naturalisation, he becomes a British subject *quoad* Canada alone. He is a British subject so long as he remains in Canada; but the moment that same man goes out of the territory of Canada, if he comes from Denmark he remains a Dane, and if he comes from Swede he is a Swede. So he has a divided allegiance; he is a British subject in Canada if naturalised in Canada and he is a British subject in Australia if he is naturalised in Australia, and so on, but he remains a citizen of his native country the moment he is out of the Dominion of his naturalisation. For instance, if a Canadian to-day comes to Great Britain, and he was a native of the United States and has become a British subject in Canada, in Great Britain he is not recognised as a British subject. Therefore, here is a difficulty at once which is of the greatest possible moment.

In Canada, where we receive annually at the present time some 100,000 American citizens, who generally take out letters of naturalisation as soon as it is possible for them to do so, we are in this condition: those 100,000 American citizens are British subjects in Canada, but if they come to Great Britain they are still American citizens. In these days of travel and locomotion it is conceivable that this condition of things—this divided allegiance—may produce serious complications. Therefore, I think the first consequence to be deduced from this condition of things, this divided power of legislation between the Mother Country and the Dominions beyond the seas, must be remedied in some way, and I think this principle may be laid down as an object to be ultimately reached—a British subject anywhere, a British subject everywhere. The Imperial Government has naturally retained to itself the power to grant letters of naturalisation, and I understand that jurists are of opinion that letters of naturalisation issued here in Great Britain under the authority of British legislation carry their effect not only in Great Britain, but in Canada, in Australia, in all the oversea Dominions, and everywhere. That is to say, letters of naturalisation granted here in England make a man a British subject all over the world, whereas the letters of naturalisation granted by the authority of the Dominions beyond the seas are restricted only to their own respective territories. I say that this legislation at once ought to be remedied in some way, and a measure ought to be adopted whereby it should be universal that, if a man is made a British subject somewhere in the British

Empire under authority delegated by this Parliament of Great Britain, then legislation to that effect should carry the power of naturalisation not only in the country in which naturalisation has been granted, but all over the British Empire, or, indeed, all over the world. In other words, *civis Britannicus* is *civis Britannicus* not only in the country of naturalisation, but everywhere. This principle, it seems to me, is the one which ought to be reached and ought to be adopted; otherwise we are liable to very serious complications. Therefore I say that we should have uniformity in the effect of naturalisation, and the principle should be adopted that whenever a man is naturalised, whether it be in the United Kingdom or in any one of the Dominions which derive their authority from the Parliament of Great Britain, the effect should be the same, and that man should be *civis Britannicus* all over the world.

Now, as to the method of obtaining naturalisation, I agree with Mr. Batchelor that it would be extremely difficult to have the same methods adopted in every country. The circumstances vary very much; nothing shows that better than the variety of legislation which we have upon this subject. In Great Britain the period of probation before an alien can become a British subject is five years; in my country it is three years; in Australia it is two years, and in New Zealand I understood it is no period at all—a man can arrive one day and be naturalised the following day. That shows that the local conditions vary so much that uniform legislation is hardly to be attained. I see no objection for my part at all to this varied legislation; let every Dominion for itself determine what is the period of probation which it will subject an alien to before it makes him a British subject. I see no reason at all why the conditions should not vary as they do now. If we adopt these two principles, that is to say uniformity in effect but diversity of methods, I think we reach the solution we are seeking to obtain. That is the policy which I would submit to the Conference. If these two principles are recognised and adopted I think we have found an easy solution of a very serious problem and one which has given us a good deal of trouble hitherto.

Sir JOSEPH WARD : I do not see any objection to the Imperial Parliament legislating in connection with naturalisation for application throughout the Empire, and I think it is necessary that it should be done, with certain reservations. In our country the course that we follow is that there is no time limit; if a man has the necessary education, and his character it all right, a certificate is furnished by a magistrate, and we may naturalise him within a month after he comes to our country. On the other hand we have people in New Zealand to-day who have been there 20 years whom we would not naturalise, because they cannot comply with the requirements as to citizenship of our country, and therefore they are refused.

The CHAIRMAN : Is that an educational test?

Sir JOSEPH WARD: Yes, an educational test and a character test. If reservations are provided in the proposed Imperial Bill, which would be submitted for the consideration of the respective Governments, to enable us to exercise certain powers within our own territory, I fail to see any reason why we should not have uniformity right throughout the British Empire dealing with naturalisation. I am inclined to think that Sir Wilfrid Laurier was probably not quite right in stating that where naturalisation was conferred upon a British subject he was then *civis Britannicus* all over the world. A a matter of fact there are Continental countries that will not accept the naturalisation of a British subject here if the naturalised person be of their nationality, so that it does not apply in the way in which it was suggested.

Sir WILFRID LAURIER: I do not understand that.

Sir JOSEPH WARD: There are cases where a man is naturalised in Great Britain, but his naturalisation is not accepted all over the world—in some Continental countries it is not accepted.

Sir WILFRID LAURIER: That is a different matter altogether. That depends upon foreign interpretation, and not upon what concerns us here.

Sir JOSEPH WARD: So far as we are concerned, in New Zealand, we would not accept it either.

Sir WILFRID LAURIER: You would not accept the naturalisation of a man in Canada, for instance?

Sir JOSEPH WARD: I am not prepared to say that if he be Canadian born.

Sir WILFRID LAURIER: That is what I mean.

Sir JOSEPH WARD: If he were a foreigner to Canada, whom you naturalised, and he came to New Zealand, we would not accept your naturalisation. We would require him to commence *de novo* and comply with our conditions.

Sir WILFRID LAURIER: That is a different condition of things.

Sir JOSEPH WARD: I think, to some extent, we ought to be able to meet in a general way the position in order to enable cases of that kind to be dealt with. In dealing with this matter I want to make a suggestion to Mr. Churchill, the head of the Department here. The Bill which was sent out for the consideration of the Government of New Zealand made provision for two distinct things separately: The acquisition and the loss of British citizenship otherwise than by naturalisation, and the status of aliens and the naturalisation of aliens. What I suggest is that the provisions of the Imperial Bill regarding naturalisation, which are intended to be of universal application, should be collected in one part of the Bill and expressly declared to be applicable. If that is done I am quite certain that no reasonable objection could be offered, so far as New Zealand is concerned, to the exercise of power by the Imperial Legislature in defining for the whole Empire the conditions of British citizenship, and it would be a step in the right direction; but what we would require to have in that Bill, in my opinion, would be power to provide the necessary machinery for bringing those provisisons into operation in the Dominions and Colonies and determining the Colonial officials by whom the powers of the Secretary of State are to be there exercised, and power to establish the necessary penal provisions, appointing the fees, and authorising regulations by the Governor in Council; and there should be power provided to impose further restrictions, limitations, and conditions on application in the Dominion for Imperial naturalisation. The powers at present provide for Colonial naturalisation to be granted on easier terms than Imperial naturalisation, but without extra-territorial operation. That is the law now on that particular point.

Now if what I suggest is done, I see no reason whatever, speaking from the New Zealand standpoint, for our being opposed to the general proposals of the Imperial Government, because, after all, we still can exercise the power of the exclusion of aliens under another Act, and so long as we hold that power there does not appear to me to be any reason why we should not in a general way support a proposal to have uniformity; but I do think it important that the two matters in the proposed Bill should be kept apart—there ought to be no difficulty about that, so far as draftsmanship is concerned—in order that certain parts of the Bill may be applicable by Order in Council in our country if it seems to us desirable to do it.

The CHAIRMAN: You have more than the power of exclusion of aliens left to you; you have the power of exclusion of British subjects, if of a particular colour or a particular race.

Sir JOSEPH WARD: That is so, so we are perfectly safe in that particular respect.

Mr. CHURCHILL: Or any other conditions you may choose to make at any time by your law.

Sir JOSEPH WARD: That is so. In our country we would not naturalise Asiatics, that is quite certain; we have power to deal with their coming to the Dominion under other Acts of Parliament. If in the ordinary course of things Chinese happen to be naturalised in this country and wanted to come to our country, it is beyond all question we would refuse assent; but I see no reason why there should not be an interchange, as suggested in the course of Sir Wilfrid Laurier's speech, to enable us under proper conditions to allow a Canadian to come to our country when naturalised so that that naturalisation would not require re-affirming in New Zealand. I think the anomaly mentioned by Sir Wilfrid Laurier, where an American comes to Canada and is a Canadian citizen while he is there and is naturalised there, and then comes on to England, and when he is in England he is not a Canadian but is an American subject, ought to be removed, because once a man becomes a British subject when he comes to Canada, surely he ought to continue to be a British subject when he comes to England, and I am prepared to support general legislation to enable such an undesirable anomaly as the one referred to to be stopped.

Mr. MALAN: I may at once say that in general we agree with the view expressed by Sir Wilfrid Laurier. The practical difficulty of setting up two standards seems to me to be insurmountable. If you have in the same country two sets of certificates of naturalisation running, issued by two authorities, as is proposed in the Draft Bill, one set issued by the local Government and one set issued under the Imperial Act by the Governor-General, it seems to me you are let into a maze of practical difficulties which you can never overcome. Therefore, I think, that as far as the presnt Bill which has been circulated is concerned, we could never support that. Sir Wilfrid Laurier laid down two clear principles. The first one was uniformity of effect. If he means by that that the same rights which attach to a British subject in the country of naturalisation should also, as of right, be granted in every other part of the empire to that naturalised British subject, I think his proposition goes too far. But if he sticks to what he first said—a British subject anywhere, British subject everywhere in the Empire—then, I think, he expresses the principle correctly.

Sir JOSEUH WARD: Would you apply that to Chinese?

Mr. MALAN: Yes. A British subject anywhere in the Empire is a British subject everywhere in the Empire, but you do not necessarily give him all the rights of a British subject in all parts of the Empire. For instance, a man may be a British subject in South Africa and not a registered voter at all.

General BOTHA: That is the present condition.

The CHAIRMAN: Or not be admitted to the country.

Mr. MALAN: Yes; I am speaking now first about the point of citizenship. He is a British subject, but if he is not 21, for one thing, then he is not a registered voter, or if he does not satisfy the qualifications required by the country he is not a registered voter. In the Cape Province, for instance, there is a property qualification. In Natal it is the same. In the Transvaal and the Free State, where they have

manhood suffrage, it is for Europeans only. So the coloured British subjects in the Transvaal and the Free State have not a right to go on to the register. In the Cape Colony they say he has to satisfy their local law as regards registration before he can become a registered voter. If, therefore, a man becomes a British subject in England and he has the right to be on the register, I do not want to say *ipso facto* when he comes to South Africa he has a right of coming on to the register also. But if he has certain general rights as a British subject when he is naturalised here—that he will be under the British Flag and have the protection of the British Flag—then wherever he goes within the Empire that should be maintained.

The second principle laid down by Sir Wilfrid Laurier was diversity of method, that is to say, we must leave to each individual self-governing part of the Empire the right to say under what conditions they will create British subjects. If you do not concede this, or if you override this principle by an Imperial Act, you will have very serious practical difficulties, and you will have the most serious constitutional difficulties. The practical difficulty will be that, supposing you decide to pass the Act, who must pass it? If you ask the Imperial Parliament to pass it for the whole of the Empire and so override the local legislatures you will create difficulties. If you ask the local legislatures to pass a similar law you have this difficulty, that you cannot force the actual *ipsissima verba* Act through the local Parliaments. They must have the right to amend that Act, and as soon as you begin to amend a statute of that kind diversities will at once appear again. Then there is this difficulty afterwards: How are you going to alter this law? Supposing it is found that the law is not perfect and it has to be altered, you have no legislative power for the whole of the Empire by which you could satisfactorily deal with a question of that kind. Then you have the constitutional difficulty. The self-governing countries say: "We do not want to be overridden in our legislature by any other legislature in the world." But if you concede this principle of diversity of method then it will apply to 99 per cent. of the British subjects that are created in the different Colonies, and the difficulty, if it is a difficulty at all, would only be as regards a few men who go from the one country to the other.

I would then say "British subject anywhere, British subject everywhere," but subject to local laws. I have spoken about the registration of voters, and the qualification of men as voters. There is also the question of emigration. Being a British subject does not necessarily open the door to that British subject in any part of the Empire, and that principle of a Dominion, or any part of a Dominion, having the right to say what shall be the composition of its population is a principle which I think South Africa will maintain to the last. Provided that it is clearly understood, and clearly expressed, that "British subject anywhere, British subject everywhere" means subject to the local laws which obtain as regards the rights of British subject whether of citizenship or of admittance into a country, we think that the principles as laid down by Sir Wilfrid Laurier are correct and sound ones.

Mr. CHURCHILL: Gentlemen, I think the statements of opinions which have already been made to the Conference reveal the very great possibility of agreement being reached upon this subject, and they also reveal the great importance of the question. Sir Wilfrid Laurier referred to the fact that 100,000 emigrants enter Canada every year, the greater part of whom seek certificates of naturalisation at the earliest moment, and that this great body of persons, rapidly increasing in numbers, are in a wholly anomalous position outside Canada, whether they go to other parts of the British Empire or to the Mother Country, or go into foreign countries. This must, I am sure, bring to the Conference a realisation of the importance and the significance which this question has already attained. There is no doubt that the importance of the question of uniformity in naturalisation is going to grow; it grows with every development in the wealth and prosperity of the Dominions, with every improvement in locomotion, with every extension of the

affairs of persons resident in the Dominions to all parts of the world. Therefore, I welcome with the greatest satisfaction the strong statement made by every one of the representatives of the Dominions present here to-day in favour of the desirability of securing a uniform and world-wide status of British citizenship which shall protect the holder of that certificate wherever he may be, whether he be within the British Empire or in foreign countries.

Now I do not think I need dwell on the inconveniences of the present system. To the Dominions they are much greater than they are to the Mother Country, because as a matter of fact at the present time the Dominions do as a matter of courtesy, or even as a matter of right under local statutes, accept as current our naturalisation certificates issued in this country, though we are unable at present (except as a matter of courtesy solely) to recognise theirs. Of course the inter-colonial question is quite unsettled, and, as Sir Joseph Ward and Mr. Batchelor have pointed out, the close proximity of Australia to New Zealand, where there are exactly similar conditions, has not prevented a complete absence of arrangement for mutual naturalisation between the two countries. It would be a great thing if we could remedy these inconveniences, but we shall not remedy the inconveniences of the present system if we depart from sound principles of Colonial and Imperial Government. We must base ourselves, in any legislation which we seek upon this subject, upon the two main principles, as I understand them, of the government of the British Empire. First of all, we must base ourselves upon the assents of local Parliaments; and secondly, upon the responsibility of Ministers. As long as we stand on those two foundations I do not think that any real difficulties will arise in practice.

Now the draft Bill which has been circulated and has been examined and studied in all the Dominions must not be regarded as by any means a final or a perfect scheme. I think the very valuable criticisms which have been made upon it, not only this morning but in the despatches which have been written, particularly the South African Despatch, have shown that that Bill can only be regarded as a convenient peg upon which to hang the discussion of this subject, and we are not committed to it in form or in detail at all this morning, as far as the Imperial Government is concerned. It is a method, and I think it has proved to be not an inconvenient method, of raising the question. I am bound to say I have found the criticisms which have been advanced by the different self-governing Dominions upon that Bill very valid and important, and I agree very much with them.

I certainly feel, and I am sure my Right Honourable friend, the President of the Conference, agrees with me, that no Imperial Act ought on this subject to deal with the self-governing Colonies, unless and except in so far as it is adopted by their Parliaments. We feel very strongly that, in regard to a question like naturalisation, the Government of that Dominion where the certificate of naturalisation is applied for must be the judge and the complete judge. We have no desire at all that the Secretary of State for the Home Department should have the power to reach out, as it were, into the self-governing area of the South African Union or the Dominion of Canada and confer naturalisation—I think that perhaps was in Mr. Malan's mind—on persons who had been refused naturalisation there. We have no idea of that kind of reaching out into a self-governing area; nor have we any idea of overriding local law. That is a matter of the very greatest importance A certificate of naturalisation does not entitle the naturalised person to any treatment in this country or in any Dominion of the British Empire, except as may be prescribed by the laws of this country or of the Dominions in question. We draw distinctions in this country between different classes of white British subjects. We do not, for instance, put peers on the register for voting; and there are many distinctions which you draw in the Colonies. Nothing in the proposal we put forward to-day is intended to touch or affect the local law as regards immigration, that is

to say, the exclusion of aliens or even natural-born British subjects, which the Colonies strongly hold to in some cases, and I think very reasonably in some cases; and nothing would affect any differentiation which may be in force by local laws within the area of any self-governing Colony. I feel that we have to recognise all those facts if we are to make any advance in this field.

Then I come to the second step. There is a great diversity in the conditions of naturalisation in the self-governing Dominions, and I do not see how we, sitting round this table, could come to an agreement to establish uniform Imperial conditions of naturalisation. I do not think we could. The circumstances of the different Dominions are so varied, and the time and labour of the work, even if it were a possibility, would be so great that we should not reach any practical conclusion, and if we did reach a practical conclusion the whole matter would then have to be delayed until the different uniform Bills enforcing the uniform principle had been carried through by the Parliaments all over the British Empire. I do not think that there can be any progress along that road. So I am forced to the conclusion, after considering very carefully the objections which have been taken to the draft Bill, and having the advantage of discussing this matter with the learned Solicitor-General, who is here this morning, that if we are to give effect to the resolution proposed by Mr. Batchelor and to the wishes which Sir Wilfrid Laurier has expressed we shall have to face two standards of naturalisation; there will have to be the local law and there will have to be an Imperial standard.

I see Mr. Malan smile, but I think I can meet the difficulty which he has in his mind. For our part in this country we cannot depart from the five years' limit as a qnalifying period. We are in very close proximity to Europe, and great numbers of persons come through this country and come into this country, and with every alteration in our social legislation there is greater incentive to acquire British citizenship in this country, and we feel it is absolutely necessary for our good government to insist upon a five years' period. But that five years' period, if insisted upon by this Mother Country, will not be any inconvenience to the Dominions; on the contrary it will be a protection to them against persons being naturalised in this country and then becoming British subjects for the purposes of the different Dominions, because it will prevent such persons getting in under standards which might be less severe than those the Dominions have thought it necesary to establish for their own protection.

What I would therefore suggest is this—if I may make a tentative suggestion to the Conference—that it should be open to any person who has obtained a certificate of local naturalisation in any of the Dominions, and who, in addition to that local certificate of nturalisation, has resided five years in any part of the British Empire, to apply for a certificate of Imperial naturalisation. He would apply, of course, to the responsible Ministers of the Dominion or State in which he was resident, and if the responsible Ministers endorse his application, the Governemnt ,upon advice in the ordinary manner, would issue the certificate. In that way it would be possible to allow all the existing diversities of Dominion legislation to continue untouched. There would be no need to alter all those laws, although it is very possible that there would be a gradual tendency to assimilate them, but that would be a matter which time and circumstances, and the opinions of the Dominions concerned, would solve in their own way. There would be no necessity at all to alter the existing diversity of practice. I think in the great majority of cases persons would be quite content to remain in the enjoyment of the local naturalisation, but if they wished to go further, in two years later in the case of Canada, or three years later in the case of Australia, they could, by application to the Government, or under any other condition that the Government of the Dominion might prescribe, take out papers of Imperial naturalisation, and those papers of Imperial naturalisation based, as they

would be, not only upon the local citizenship, but also upon the five years' qualification, ought to be current throughout the British Emipre. Of course there is just one loophole of difficulty, to which Mr. Malan has referred, and which does not appear to be completely met; that is, supposing a man applies in South Africa for naturalisation and is refused, and then goes away, say to Canada, and lives there for a period, then gets Imperial naturalisation, and then and there comes back to South Africa, he will have acquired an Imperial naturalisation certificate current in South Africa, although he had previously been refused that certificate by the Government of that Dominion. I think we are having to go a good long way round to get to the difficulty exemplified in that case. Such cases would be extremely rare, but I can only say in answer to that, that the local law would not be affected at all, and if it really were thought to be such a serious danger that this should happen, I do not see any reason why, if it were thought worth while to do it, the Government of the Dominion which did not wish to have this man should not by legislation arrange that the Imperial certificate should be in abeyance in cases where an application had previously been refused to the same person within their own bounds. I do not think the danger is a real one, but it would be quite possible to safeguard local autonomy completely against it.

Mr. BATCHELOR: Could not you do this—require a declaration from each applicant for an Imperial certificate that he had not applied and been refused a certificate? That would seem to get over the difficulty.

Mr CHURCHILL: I am afraid it would not. We could not guarantee we should not naturalise any person here who had been refused naturalisation elsewhere.

Mr. BATCHELOR: No, but you would not give him an Imperial certificate.

Mr. CHURCHILL: We do now—a world-wide certificate.

Dr. FINDLAY: We have a second resolution down, although, I take it, it is embraced within the present discussion. I have not said anything about this matter, but I hope if the matter is not being treated independently to say one word now.

Mr. CHURCHILL: I have practically finished what I have to say, and I will just summarise my points in five propositions: (1)) Imperial nationality should be world-wide and uniform, each Dominion being left free to grant local nationality on such terms as its Legislature thinks fit. (2) The Mother Country finds it necessary to maintain the five years. This is a safeguard to the Dominion as well as to us; but five years anywhere in the Empire should be as good as five years in the United Kingdom. (3) The grant of nationality is in every case discretionary and this discretion should be exercised by those responsible in the area in which the applicant has spent the last 12 months. (4) The Imperial Act would not apply to the self-governing Dominions until adopted by them. (5) Nothing now proposed would affect the validity and effectiveness of local laws regulating immigration and the like, or differentiating between classes of British subjects. Those are the general principles and the main principles which I think would have to underlie any legislation we may endeavour to put forward on this subject, and I would express a hope that the Conference, if it felt itself in general agreement with those general principles, which are not at all unhappily expressed by the resolution which Mr. Batchelor has moved, would allow us to redraft the Bill in conformity with those principles which are laid down, and submit it to a subsidiary conference in the shortest possible time. I do not think it would take very long. That is what I should hope might follow from our discussion.

The CHAIRMAN: I would like to make this point to Mr. Malan. He supposed the extraordinary case of a man failing to get naturalisation in South Africa, but

coming to Canada, or coming here, in order to get naturalisation. That man is in no better position after he has acquired that naturalisation than thousands of British-born subjects to-day, either Indians born in India or Chinamen born in Hong Kong. The fact that he has acquired elsewhere naturalisation, which has been refused to him at the Cape, does not entitle him on his return to South Africa to any rights from which he is excluded by your other laws laying down exclusive regulations as to colour or any other bar you may choose to impose, so that he really gains nothing by that process except British nationality, which he may have been born with, and yet be an excluded person in South Africa.

Mr. MALAN: Yes, but I would just like to point out that I was criticising clause 7 of the draft Bill. Our contension was that no applicant should be allowed to defeat the local naturalisation law by applying for the Imperial naturalisation.

Mr. CHURCHILL: That was the intention, but the drafting is ambiguous, and I quite agree it is not at all satisfactory; so let us consider clause 7 as gone altogether.

Mr. MALAN: As the Home Secretary has stated now that twelve months at least he must be in the country in which he applies for Imperial naturalisation that alters the situation very much indeed.

Sir JOHN SIMON: The last twelve months.

Mr. MALAN: The last twelve months; so that with the altered principle as expressed in what we have now—No. 3—as against what is contained in clause 7 of the draft Bill, I think there is very much to be said for it; personally I would like to say that as this is an important matter, if we could have a copy of those five or six principles, as expressed by the Home Secretary, before we come to a final decision I should be pleased, because we have hitherto been going rather on the principles expressed in the draft Bill and they are very materially altered now in the memorandum read by the Home Secretary.

Dr. FINDLAY: I should like to say first one word here. It seems to me that the plan suggested by the Home Secretary involves a little needless duplication. It presupposes an application for Colonial naturalisation first, and bases upon that a right to acquire Imperial naturalisation. I think that might be avoided and the same purpose attained by there being passed an Imperial statute providing for Imperial naturalisation, and providing that the powers given in that Imperial statute may be adopted by the self-governing oversea Dependencies, but that they should have power, however, in addition to that, to meet a difficulty which would arise, and that difficulty is this: it may well be that you will grant naturalisation upon conditions less stringent than those prevailing in some oversea Dependencies. That is quite conceivable. Possibly it is an existing fact. You would require, therefore, to provide that where an applicant for Imperial naturalisation in, say, Canada, was going to acquire naturalisation there by virtue of Imperial naturalisation, the Canadian Government should have power to prescribe some further condition, some stricter condition, than that contained in your Imperial statue. The converse of that is a provision that local Colonial naturalisation may be given if the country desires to give naturalisation upon conditions less stringent than those contained in the Imperial statute.

The situation then would be this: you pass a statute providing for Imperial naturalisation which may or may not be adopted by the self-governing countries. That is the first stage. Secondly, they may adopt it and provide that any person applying for naturalisation under it should comply with still stricter conditions than those contained in that statute, because you will observe that obtaining Imperial naturalisation means obtaining naturalisation in that particular country. Thirdly, they may enact that the present system, if it is better, should continue. Now, the

difference between the course suggested and the one I am suggesting is this: You would in many cases avoid duplication altogether. The Imperial statute would be passed providing for Imperial naturalisation. New Zealand, for instance, may be content to adopt the statute as it is without more ado, and without providing for any local naturalisation at all. Canada may do the same. You would then avoid the double system entirely. It may be Canada or New Zealand think the conditions are too stringent and it will continue its local system. It may be that Canada does not want a local system but wants to increase the stringency of the Imperial system, and it could do that by a separate statute. So you would unify the process, having but one process, and still preserve to each country the power of controlling this matter itself.

Mr. CHURCHILL: But the Mother Country has at present the most stringent law as far as the time limit is concerned. Our five years covers everybody.

Dr. FINDLAY: That may be so just now; but changes may take place in Australia, or elsewhere, increasing the stringency of your conditions. That is conceivable, and one must provide now for the future. The course I am advocating seems to me to avoid duplication—local naturalisation first and afterwards Imperial naturalization. I should have thought there would be no difficulty in drafting the proposed Bill for Imperial naturalisation, leaving each country to adopt it or not as it pleased, leaving each country to ask for increased stringency if it pleased, and leaving each country to continue its present system if it pleased.

Mr. CHURCHILL: I think the method we are proposing would be very simple and fair. Take the case of Sir Wilfrid Laurier's 100,000 American citizens that have come into Canada this year; in the third year they would become Canadian citizens, but in the fifth year, if they wished, they could become Imperial citizens. There would be no difficulty, no extra inquiry, but simply an endorsement

Dr. FINDLAY: That would, of course, be a matter of machinery, but we require a person to first apply for Colonial naturalization, and then by a separate process, which might be simple, to apply for Imperial naturalisation. Why not unify the processes?

Mr. CHURCHILL. If he had all the qualifications there is no reason why he should not apply for the full Imperial naturalisation if he had been there for five years.

Dr. FINDLAY: The Bill before us contemplates the two processes; first local, and then Imperial naturalisation.

Sir WILFRID LAURIER: The suggestions of Mr. Churchill go very far towards remedying the condition of things which now exists, and which everybody admits is a source of danger, and which ought to be remedied in some way. His remedy is that any man who has obtained letters of naturalisation in any of the Dominions may come here to England and obtain upon presentation of an application a further letter of naturalisation which would make him an Imperial citizen.

Mr. CHURCHILL: He may obtain it in the Dominions.

The CHAIRMAN: He need not come here.

Sir WILFRID LAURIER: Very well; it may be obtained in the Dominions themselves. I hoped that the Imperial Government would have been able to go further, and to recognize the letter of naturalisation which has been given as carrying its effect everywhere. That can be done, I think, with the diversity of legislation which exists to-day. In England you require a probation of five years. Very well, a man cannot obtain letters of naturalisation unless he has been a resident in this country for five years. After that he can become a British subject. These are con-

ditions which are applicable to the United Kingdom. In the case of Australia, the same man, if he is located in Australia and not in Great Britain, can have his letters of naturalisation after a probation of two years. Can there be any reason at all, from a practical point of view, why this alien, who has become a British subject in Australia should not travel anywhere, and put his letter of naturalisation in his pocket, and claim that he has the right of a British citizen, even if he comes to England. I see no objection. There may be objections, but I see them not. In the same way, suppose he goes to New Zealand? New Zealand is very careful also in the selection of its own citizens, but in New Zealand the main question which they have in mind when granting letters of naturalisation is not the period of residence but the character of the man.

Sir JOSEPH WARD: And his education.

Sir WILFRID LAURIER: And his education. A man goes to New Zealand one day and applies for naturalisation on the following day. They do not attach any importance to how long he has been there, but they ask him what is his education, and what is his character, and they go carefully into it, and they come to the conclusion that he is a fit person to be a British subject. What objection is there, if that man comes to Great Britain to his being recognised as a British subject as well? I repeat what I said a moment ago, that I see no objection. There may be objections from the point of view of His Majesty's Government in Great Britain, and if there are we have to submit; but I think it would be far safer if you were to say that when a man has obtained his letters of naturalisation in any of the Dominions he can put his certificate in his pocket and can travel all over the world and come to Great Britain and say: "I am a British subject." It would be much more simple, as everybody would admit, and unless there are very strong objections to the contrary, this world seem to me a far simpler solution of the whole problem. At present a man who obtains his letters of naturalisation in Great Britain comes over to Canada or Australia, or anywhere else, and he is at once recognized as a British subject, and I would like to have the reverse position—that a man naturalized in the Dominions should also be recognised as a British subject. There are objections. One objection is perhaps the colour question. It is supposed that here you are perhaps more easy on the colour question than we would be in Canada, South Africa, or New Zealand. I, for my part, do not see any serious difficulty in that, because the colour question will never be a problem in this country. The men of the coloured races who would be naturalised in Great Britain would be of a higher education and of the higher class. You would not have in this country a rush of such immigration as we would have in Canada, Australia, and New Zealand, unless it is limited. That is really the true difficulty at the bottom of every mind there, that you may naturalize a class of subjects generally undesirable. This is a difficulty technically, but I do not think it is a difficulty practically, and therefore I would prefer, if His Majesty's Government are able to see their way to do so, our certificates to be accepted here and their certificates to be accepted in our countries.

Mr. MALAN: Would not you stipulate for a minimum of two years' residence?

Sir WILFRID LAURIER: I would not like to interfere with the freedom or the wisdom or the preference of any Dominion on this point. For my part, I am quite willing to accept in Canada every man naturalized in New Zealand, although there is no probation at all there in point of residence. If a man comes to Canada with a certificate issued in New Zealand, for my part I would at once pass legislation in Canada to accept this man as a British subject in Canada.

The CHAIRMAN: Would every Dominion be willing to accept the individuals naturalised by every other Dominion under laws on which they had not been consulted?

Sir WILFRID LAURIER: Let me say in answer to the objection raised by Mr. Malan that a man who had been rejected in one country might go somewhere else and there get naturalised, as has been pointed out by Mr. Churchill, this is a very remote contingency. It is a possibility.

Mr. MALAN: Under your system it would not arise at all, and under the revised scheme as laid down by Mr. Churchill now, the chances are very much less, but in the Bill as it was sent out to us, the man could get the Imperial naturalisation in his own Dominion after he is refused naturalisation by his local Government.

Sir WLIFRID LAURIER: But even under those circumstances it would be easy for any Dominion to say that a man whose application had been rejected could not be recognised under any circumstances.

Sir JOSEPH WARD: I think one of the questions that might possibly be answered by Mr. Churchill is that suggestion made by Sir Wilfrid Laurier as to accepting a British naturalised subject everywhere, with the system that prevails in New Zealand of no limitation of time, with three years in Canada, and with two years in Australia, and so on; would that be acceptable to the Imperial Government in view of the fact that they have a five years' limitation?

Mr. CHURCHILL: No, it would not. Therer is a very strong feeling in this country that it ought not to be too easy for aliens to obtain naturalization, and that feeling will increase, I think, with the development of the pensions and the insurance schemes, which play such a large part now-a-days, and in which there is a distinct difference made between naturalised and non-naturalised people in this country, I think there would be a difficulty, and at any rate, we attach as much importance to our five years' limitation as any of the representatives of the self-governing Dominions attach to their various standards.

The CHAIRMAN: I think Sir Wilfrid Laurier rather suggested another method of treatment—that a naturalisation in Canada after a period of three years should become automatically at the expiration of five years naturalisation in the Empire as t whole. But there, again, there would be a difficulty, that if an American had resided three years in Canada and acquired his naturalisation, the moment he had got that paper in his pocket he might return to the United States and remain there, and at the end of five years he would for his own purposes have become a British citizen.

Mr. CHURCHILL: No, it would not do.

The CHAIRMAN: That is how the automatic suggestion would work, because we would not be able to say to him: "You have not resided for five years in the British Empire," nor should be be able to put to him the point: "Do you intend to reside in the British Empire in future?"

Sir JOSEPH WARD: That might be got over by a certificate that he had.

Mr. BATCHELOR: May I say on the point raised by Sir Wilfrid Laurier that, as far as Australia is concerned, I do not think we could agree to that because it would be giving each country legislative powers practically which would govern local naturalisation. Take the case of New Zealand, they require no limitation at all as to residence. In Australia we require two years' probation. People could come after, say, getting a certificate from New Zealand to Austrlia, who had not completed anything like the two years we require, and, of course, under these circumstances, they would have advantages by going first to New Zealand which they would not have if they come direct to Australia. Under those circumstances it would be over-riding our conditions. It seems to me that the method which was suggested by Mr. Churchill, which I am very pleased to say was practically on the same lines as that

which I suggested, gets over nearly all these difficulties, the only difference appearing to be on the question as to whether an Imperial Act is necessary, or whether we should set up some standard.

Sir JOSEPH WARD: I think an Imperial Act is absolutely necessary.

The CHAIRMAN: An Imperial adoptive Act.

Mr. BATCHELOR: I think so. Some kind of standard would have to be set up by some authority which each of the Dominions by legislation could adopt. Whether the standard is set up by Imperial Act or not is not material to the Dominions; it is not material to us, for instance. Probably the best way is to have an Imperial standard.

Mr. CHURCHILL: Of course, the five years includes everything; the greater includes the less, and it would bring us all together.

Mr. BATCHELOR: I do not think there are any conditions imposed by any of the States that are not also imposed by the United Kingdom, so that I see no difficulty at all. What each of the Dominions can do is to slightly alter their own legislation, giving power to adopt the Imperial Act or the Imperial standard, and it seems to me that that gets over all the difficulties which have been suggested.

Mr. CHURCHILL: We do not tie ourselves to any other condition at all except the five years. There are a great many differences as to how character is ascertained, the ability to speak English and so on. We do not trouble about that at all; all we say is: "The local certificate in a Dominion plus five years' residence in the British Empire.' It is very simple.

Sir WILFRID LAURIER: In the British Empire or in the United Kingdom?

Mr. CHURCHILL: In the the British Empire, residence anywhere in the British Empire counting for the five years.

Sir JOHN SIMON: I should like to point out with reference to what Mr. Batchelor has just said, that from the Home country's point of view there i reason why we must have an Imperial Act, and it is this. Under our existing law five years' residence in the British Empire does not help the applicant at all. Fifty years' residence in the British Empire does not help him. What he has to show is five years' residence in the United Kingdom and the intention to continue to reside in the United Kingdom, and, of course, that has got to be our law until we have altered it. Therefore we must have an Imperial Act from our point of view in order that we may do what we wish to do, recognize residence anywhere in the British Empire as just as good as residence in the United Kingdom.

That leads me to make this suggestion to Mr. Malan. He was raising this difficulty. He was saying that perhaps a man may have been objected to on good grounds in some portion of the Empire and then afterwards may apply to the Home Government and attempt to get a certificate of naturalisation here. May I just point out this? Before he could get a certificate of naturalisation here he would have to show where his five years of residence has taken place, and in the case supposed he has resided in various parts of the Empire. I conceive it would not be a very difficult regulation to say that if a man came forward and said: 'I make up part of my five years by saying that I have resided for two of them in South Africa,' communication could take place in order that it might be possible to see whether South Africa knows anything about him. That would be a very possible regulation, and it is made possible because he has got to show where his five years have been made up. If he has done five years in the United Kingdom without a change, he naturally satisfies the Home authorities.

May I say also, Sir, that I appreciate very fully, and I have felt the difficulty myself to which Mr. Malan refers with regard to clause 7 of the Bill, and I am certain that that does not accurately represent the intentions of those who drafted it or the Home Government. It is essential to the scheme which the Home Secretary has referred to, that the grant of an Imperial certificate should be a matter of discretion and that that discretion should be exercised, not in all cases by the Home Government of course, but by the authority which has the local opportunity of judging of the man's personal qualities and credentials during the last year of his five years. That seems to me to be essential to the scheme.

Mr. MALAN: That is not expressed in clause 7 at all.

Sir JOHN SIMON: I agree it is not, but I am confident it was what was really intended and it is made very plain by what Mr. Churchill has said.

May I finally point this? It is said very truly that there might be cases in which a man could get an Imperial certificate, although if he applied locally he might not be regarded, in some parts of the Empire, as qualified for a local certificate on the ground of colour and so on. What I suggest the Conference has to remember is that for every one wan who is naturalised you have thousands of persons who are natural born British subjects. Of course our law is that anybody born in any part of the British Empire, whatever his parentage, is a natural born British subject for all purposes; and, as Mr. Harcourt was pointing out, whatever may happen in the case of a man of colour who in some corner of the Empire gets naturalisation, he cannot be put in a better position than an exactly similar man who was born within the British Empire. The real safeguard which I suggest that the Dominions have is the power which they, of course, exercise freely as they think right of imposing the conditions which apply not only to aliens, but apply to British subjects, which must be satisfied before those persons in their own area exercise political or other rights. That seems to me really to show that the danger is exaggerated when the danger is referred to of the grant of naturalisation in some other part of the Empire.

Mr. CHURCHILL: I think the Conference are perhaps ready to come to the conclusion on these points. I do not know, Sir Wilfrid, how far we meet your view?

Sir WILFRID LAURIER: They do go very far, but not quite as far as I would like. What I have in my mind is this—of course every one speaks for the country he represents here—the case which I put forward some time ago of the American citizen who has been three years in Canada and becomes a British subject in Canada, but is not a British subject in Great Britain. You would meet partially my views if you were to go further. I had hoped that the man who was a British subject in Canada would be a British subject in Great Britain. I had hoped you would go further than you are going, but if you are going to say that with two further years in Canada he would be a British subject——

Mr. CHURCHILL: Yes.

Sir WILFRID LAURIER: I would accept that.

Sir JOHN SIMON: And granted by the Canadian Government.

Sir WILFRID LAURIER: Yes, that would carry the full British citizenship.

General BOTHA: I think we should accept Mr. Churchill's suggestion.

Sir JOSEPH WARD: I agree.

Mr. CHURCHILL: May I ask the Conference, then, if they will allow me to have the Bill redrafted at once on the lines of the principles which have been elucidated in the discussion, so that the Bill, or at any rate, the heads of the Bill*

* *See* draft Bill in Volume of papers [Cd. 5746—1.]

could be submitted to the representatives of the Dominions before they leave this country. I am not quite familiar with the actual procedure of the Conference, but I imagine that we could have a sitting in a fortnight or three weeks of one day when I could submit the draft Bill.

The CHAIRMAN: I am afraid that will not be possible.

Mr. FISHER: I should like to say, Mr. Harcourt, that I should hesitate to assent to a proposition of that kind—the examination of a Bill to be gone through. We shall do well if we confine ourselves to affirming propositions in well-defined language expressing our views here.

The CHAIRMAN: They must ultimately take the form of a Bill.

Sir WILFRID LAURIER: If you ask me, I say we are prepared to accept the proposal as far as Canada is concerned of adding another two years to the period of probation. If you could make it general and say that after continuous residence in any of the Dominions for five years——

Sir JOSEPH WARD: I was going to say the very same thing, that if the five years which is suggested as being the period for Canada, that is two years plus these local three years—if the proposal is made that it is to be after five years' residence in our countries, I see no objection to it at all.

Sir JOHN SIMON: That is a portion of the second proposition which Mr. Churchill read out, that five years anywhere in the Empire should be as good as five years in the United Kingdom.

Sir JOSEPH WARD: That is all right.

The CHAIRMAN: It may be three years in Canada and two years in New Zealand, and that would make five years for British naturalisation.

Sir WILFRID LAURIER: But the probation should be in the country of naturalisation. It would not be that the applicant should be three years in Canada and two years in Australia.

The CHAIRMAN: It would, for Great Britain; that is the change we propose to make. We should give him Imperial naturalisation so long as he has resided five years in any one part or parts of the British Empire.

Sir JOSEPH WARD: There is one point I want to ask a question upon so as to make it quite clear. Supposing in the case of New Zealand, in connection with this second part of the proposal as to the five years, we required a man before we naturalised him to wait for five years, would this proposal mean that on his being naturalised he has to stay another five years before he gets it?

Sir JOHN SIMON: No, they overlap.

Sir JOSEPH WARD: It is residence only.

The CHAIRMAN: It is concurrent residence.

Dr. FINDLAY: We have no prescribed number of years. We ask how long he has been in New Zealand, and we may grant it without any period being prescribed. Will you ask as they do in Canada: "What period does your law provide?" and if the answer is "Two years," will you then say "You have to wait another three years and then you will have Imperial letters of naturalisation"? We have no time prescribed, and we would like to know what evidence you would be content with.

Mr. FISHER: You could state in your certificate the time he had been there.

Sir JOSEPH WARD: I think our better way would be probably to put into one of our Acts a period of years, say a year or two, and that would get over it.

Mr. FISHER: Supposing you naturalised an applicant the next day, Sir Joseph, you could put down the time he had been in your country when you granted him naturalisation?

Sir JOSEPH WARD: Yes, but I think the clearer and more handy way would be to put a period of a year or two into our own Act.

The CHAIRMAN: That would be an advantage in the way of similarity.

Sir WILFRID LAURIER: The idea is this, that after a man who has obtained letters of naturalisation in any of the Dominions has five years' residence, under those letters of naturalisation he is entitled to be a British subject anywhere in the Empire.

The CHAIRMAN: Yes, anywhere.

Sir WILFRID LAURIER: But if he has been three years in Canada I would not say that he should have Imperial letters of naturalisation if he goes to reside elsewhere in the British Empire.

The CHAIRMAN: But that is for British purposes; we are to be satisfied with five years in any part of the Empire.

Mr. FISHER: If you would allow me to say so I am rather in a difficulty here. The suggestion now is that there must be five years after naturalisation.

The CHAIRMAN: No.

Sir JOSEPH WARD: I shall make it clear by legislation if it is not so.

Mr. FISHER: You could put on to your dated naturalisation certificate the length of time the applicant had been in New Zealand, and that would count prior to the granting of the certificate, and the subsequent period would make up the five years. I see no difficulty at all now.

The CHAIRMAN: They do not inquire in New Zealand as to his length of residence.

Mr. FISHER: In my own State of Queensland, a foreigner, as we call them, coming to that State could apply the day he landed to be naturalized, and then six months afterwards they would grant his naturalisation.

Sir JOHN SIMON: Then he would want four years and six months more.

Sir JOSEPH WARD: It is only a matter of detail as to whether any of the Dominions remain without a fixed period of years or with a period of years. I believe, for the purpose of enabling us all to have a better understanding of what we are doing, it would be better if New Zealand fixed a term of a year or two as the case may be. We should not object to making it three years, the same as in Canada, because, as I have said, we keep some of our people out for more than twenty years. Although we have not a limit we do not allow them to get in in a hurry, they must have the proper qualifications.

I wanted to say this particularly, Mr. Churchill, that as far as I am concerned I would infinitely prefer to see your proposed Bill. I believe without our going in the direction of saying that we affirm everything in the Bill, if we had the suggested Bill of Mr. Churchill with amendments on the lines suggested this morning, we

might perhaps by way of suggestion be of some service in arriving at what we could all generally agree to, because, after all, you have to remember that the Imperial Bill is not going to supersede our power to legislate locally. It is not to supersede our power to keep out the alien, and it is not to supersede our power to keep out the coloured man, so that we remain perfectly free, but I think it would be a valuable thing if we could see the proposed Bill, and it might save a lot of time in bringing the system into operation throughout the Empire.

Mr. CHURCHILL: I will ask them to begin drafting it at once. May I propose then to the Conference this resolution which I will read and embodying the difficult points? "That the Conference approves the scheme of Imperial citizenship based on the following five propositions: (1) Imperial nationality should be world-wide and uniform, each Dominion being left free to grant local nationality on such terms as its Legislature thinks fit. (2) The Mother Country finds it necessary to maintain five years as the qualifying period. This is a safeguard to the Dominions as well as to us, but five years anywhere in the Empire should be as good as five years in the United Kingdom. (3) The grant of nationality is in every case discretionary and this discretion should be exercised by those responsible in the area in which the applicant has spent the last twelve months. (4) The Imperial Act would not apply to the self-governing Dominions until adopted by them. (5) Nothing now proposed would affect the validity and effectiveness of local laws regulating immigration and the like or differentiating between classes of British subjects."

Mr. BATCHELOR: Is there not one other thing you want there—I do not know that it is quite clearly enough expressed—that no Imperial naturalisation would override the local requirements?

Sir JOSEPH WARD: It cannot until it is adopted by the local Legislature.

Mr. BATCHELOR: I do not think you have that expresesd at all—that no Imperial naturalisation granted anywhere can give naturalisation in cases where locally something else is required.

Sir JOHN SIMON: Take the case of a natural-born British subject who may, of course, be a person of colour, it may be that he cannot speak any European language—there are thousands and tens of thousands such—I suggest to you that he is a natural-born British subject whatever happens, but, of course, that does not in the least affect the legislative power of each and every Dominion either to exclude him or, if he comes inside the area of a Dominion, to deny him privileges which white people or persons speaking a European language enjoy. Surely his position internationally as a British subject of the King is beyond question.

Mr. BATCHELOR: I am not discussing that at all—that is not the point. The question is this: Supposing any one of the Dominions chooses to impose some kind of barrier on naturalisation, this Imperial Act should not prevent them doing something.

Mr. CHURCHILL: Nothing would conflict with the local law.

Mr. BATCHELOR: That is not expressed in your five propositions.

Mr. CHURCHILL: You have a pretty good safeguard in practice. First of all, you have the fact that either the Mother Country or else one of the Dominions has thought the man a fitting and suitable subject. Then you have the five years which are in force in this country, which is a still greater security, and the special conditions which apply in this country, one of which is ability to read and write the English language.

Mr. BATCHELOR: Yours covers all our requirements, there is no doubt about it.

Mr. CHURCHILL: I do not think you need run any risk at all in practice. The only thing you need to say in the future, supposing you wish to say it should be 10 years is: "We will not have anybody who has not been 10 years in the Colony."

Sir JOSEPH WARD: I am satisfied with the proposal, and I think it meets what Mr. Batchelor wants.

Mr. CHURCHILL: In any case nothing affects the autonomous power of the local Parliament. You could pass a law in which you could say: "The provisions of this Act must be in abeyance as respects Australia."

Mr. FISHER: Can an Act of the Imperial Parliament, except it specifically states that it does so, amend any of the legislation of the self-governing Dominions?

The CHAIRMAN: We discussed that before you came in.

Sir WILFRID LAURIER: It has been approved.

The CHAIRMAN: It was only proposed that the Imperial Act should be adoptive by the Dominions.

Mr. FISHER: That is quite true, but you say here--drafted by the legal hand, I presume— that it will not in any way affect the self-governing powers of the Dominions.

Sir JOSEPH WARD: It provides that unless we adopt that legislation it does not apply to us.

Mr. FISHER: Why is it necessary to say that?

Sir JOSEPH WARD: Because it could not have any effect unless we did.

Mr. FISHER: Why do you need to state that there? If you cannot do it, you cannot do it.

Dr. FINDLAY: It is still doubtful.

Mr. CHURCHILL: If Mr. Fisher would read the objections which South Africa took to the draft Bill, they took the constitutional ground, and these are more or less the principles which should guide us in preparing the Bill. It is not necessary to affirm it in law at all.

Mr. FISHER: You are to ask the Government in the Bill to declare that so and so is so and so.

Sir JOHN SIMON: Would it not meet your feeling if one said—I think exactly the same effect is produced if one laid down one of those propositions in this way: "That the scheme for Imperial naturalisation would have no operative effect in any Dominion until the responsible Government and Legislature of that Dominion had adopted it as its own law." That is exactly the same thing.

The CHAIRMAN: This is not a declaration that we cannot legislate for a Dominion; it is merely a declaration that on this particular matter we do not propose to.

Mr. FISHER: It is for you to say. I feel, speaking for the Commonwealth of Australia, that there can be no attack on our constitution unless it is specifically stated that you are attemtping to amend it, and if you da, you will hear about it.

The CHAIRMAN: There is no admission on either side, Mr. Fisher.

Sir JOSEPH WARD: Under the Imperial Naturalisation Act of 1870, which is in operation now, exactly the same position exists as that which you are referring to, and we are not bound by that.

Mr. FISHER: It is the statement of it that seems to me to be a redundancy.

Sir JOHN SIMON: It was intended rather as a protection against a possible misunderstanding.

Mr. CHURCHILL. I think it was really necessary to do it because of the objections that have been taken by the Government of South Africa; they raised the constitutional point very strongly and, therefore, in trying to arrive at a general basis of agreement this mortning, we put that in in oredr that every one should feel that we are not trying in this instance to do anything of the sort.

Mr. FISHER. Theirs is the most recently prepared, and their constitution is all right.

Sir JOHN SIMON: Would it not put it in a way which is not capable of misconstruction, Mr. Fisher, if our fourth proposition ran: "The Imperial Act should be so framed as to enable each self-governing Dominion to adopt it"? The effect is exactly the same.

Mr. FISHER: These are much better words.

The CHAIRMAN: May I take it that we are agreed to these general propositions on which the Home Office and the Law Office will proceed to frame a Bill to be submitted and discussed at the earliest moment?

Mr. MALAN. We down here have heard it only once read, and I would like to hear it again.

Mr. CHURCHILL: "That this Conference approves the scheme of Imperial citizenship, based on the following five propositions." I will send to each member of the Conference a typescript of this, and perhaps that will be the better course.

The CHAIRMAN: But that will mean that we do not come to any decision on it now.

Mr. CHURCHILL. I will read it now, and send a copy this evening: "(1) Imperial nationality should be world-wide and uniform, each Dominion being left free to grant local nationality on such terms as its Legislature thinks fit. (2) The Mother Country finds it necessary to maintain five years as a qualifying period. This is a safeguard to the Dominions as well as to us, but five years anywhere in the Empire should be as good as five years in the United Kingdom. (3) The grant of nationality is in every case discretionary and this discretion should be exercised by those responsible in the area in which the applicant has spent the last twelve months."

Mr. MALAN. That would apply to the Imperial nationality as well as to the local nationality. I think you had better make that clear.

MON: We had better put in the word "Imperial."

Mr. CHURCHILL. Yes. "The grant of Imperial nationality."

Mr. MALAN. That is right.

Mr. CHURCHILL: "(4) The Imperial Act should be so framed as to enable each self-governing Dominion to adopt it. (5) Nothing now proposed" (this again

is not necessary but only to make clear where we stand—it is only an *aide mémoire*) "would affect the validity and effectiveness of local law regulating immigration and the like or differentiating between the classes of British subjects."

The CHAIRMAN: I think we can probably agree to this as instructions for the drafting of a Bill.

Sir JOSEPH WARD: Yes, I think that is right.

General BOTHA: Yes.

Mr. BATCHELOR: I should like to say, as far as I can see, that I am not quite sure that all of those clauses are necessary, but I certainly agree with them all.

Sir JOHN SIMON: They are really your suggestions.

Mr. CHURCHILL: They are *aides memoire* for drafting the Bill.

Mr. BATCHELOR: I should like, personally, to express my pleasure that the Conference has come to a decision which, I think, will be very useful and have very good results.

The CHAIRMAN: I think we may have time, Sir Joseph, to deal with the uniformity of laws, which is next on the agenda. I take it that the three resolutions on naturalisation which stand first are now withdrawn and this one substituted.

[AGREED.]

UNIFORMITY IN ACCIDENT COMPENSATION LAW.

"That it is in the best interests of the Empire that there should be more uniformity throughout its centres and dependencies in the law of . . . Accident Compensation."

Sir JOSEPH WARD: In moving this resolution, which is in the following terms: 'That it is in the best interests of the Empire that there should be more uniformity throughout its centres and dependencies in the law of accident compensation," I want to say that it seems to me to be desirable that the principle of payment by the employer of compensation for injury sustained by the employee in the course of his work should be adopted throughout the Empire. At present Workmen's Compensation Acts are in force in Great Britain, New Zealand, Queensland, Western Australia, and other countries. In some of these Acts the right to compensation is limited to those dependents who are domiciled in the country in which the accident happens. In the case of a worker coming from Great Britain to, say, New South Wales, and meeting with a fatal accident there, compensation would not be payable to his dependents who were left in the country of his domicile. In the New Zealand Act there is power given to extend by Order in Council the benefits of the Act to dependents domiciled in any country which makes similar reciprocal provisions, and under that power reciprocity has been established with Great Britain, Queensland, and Western Australia. I think it is important that in the case of accidents we should insure that payment should be made in all parts. I do not see any reason why Great Britain should not agree to a proposal of the kind. We want to adopt the British system.

Mr. CHURCHILL: I think we may claim that we are as far advanced on this road as any one. We even pay compensation to aliens, and the relations of aliens would not be deprived of it even if they were not residents in this country at all if

their bread-winner were injured in an accident, and, of course, a fortiori, we would do it to all representatives of the self-governing Colonies or British subjects of the Empire. So that you have no dispute with us on the subject at all.

Sir JOSEPH WARD: No, there is no quarrel with the Imperial Government. What we ask is that the British system should be made universal throughout the Empire. You have no objection to that.

Mr. CHURCHILL: I think New Zealand and this country are the only two who have this system. Is not that so?

Sir JOSEPH WARD: Yes, where they have a Workmen's Compensation Act in operation.

Mr. CHURCHILL: As far as we are concerned I do not think we have any reason to object to that resolution at all, that there should be more uniformity in the matter of accident compensation. We certainly do not object to the form of this proposition.

Sir WILFRID LAURIER: So far as Canada is concerned, for my part I can approve altogether of the principle, but it is a matter upon which the Government of Canada would have no power at all. It is within the jurisdiction of the Provinces. I have no objection at all to affirm the principle.

Mr. BATCHELOR: As a general proposition one must agree to it, but, just as in Canada, in Australia this is a matter which comes under the State Governments and not under federal control.

Sir JOSEPH WARD: We have got it already with Queensland and Western Australia.

Mr. BATCHELOR: Probably you will get it with all of them by arrangement.

Sir JOSEPH WARD: There is, therefore, no objection to affirming the principle.

General BOTHA: I feel it to be very difficult for me to accept this proposition for South Africa. We have got the most difficult problem there with the native on the one hand and the white workman on the other. We have already tried in South Africa to get a uniform law passed and we have not succeeded, as it will not work.

Sir JOSEPH WARD: This resolution says that the effort should be to have more uniformity, so that that keeps you all right.

Mr. BATCHELOR: It does not carry us any further.

Mr. MALAN: It only affirms the general proposition, which is all you want certainly.

Dr. FINDLAY: Your own law is the same as the British law as far as the exclusion of aliens is concerned.

The CHAIRMAN: General Botha, I do not think it commits us to anything but a pious hope that there should be more uniformity.

Dr. FINDLAY: You are in line with the British people on that point, so that we only ask others to agree with what you are doing.

General BOTHA: But you will find that even there we cannot have uniformity in South Africa.

Dr. FINDLAY: It is only with regard to aliens.

General BOTHA: We have an Act there but there is not uniformity.

Dr. FINDLAY: The only question is about aliens and non-residents, and you do not exclude them under your own law now.

Mr. MALAN: Then you should alter the wording of your resolution. Your resolution does not say that.

Dr. FINDLAY: That is the principle which Sir Joseph Ward asks you to affirm.

Sir JOSEPH WARD: "That it is in the best interests of the Empire that there should be more uniformity throughout its centres and dependencies in the law of accident compensation,"

The CHAIRMAN: "More uniformity."

General BOTHA: You cannot get it.

Mr. CHURCHILL: You may not get complete uniformity, General Botha, but you may get more of it.

Mr. MALAN: If it is a pious opinion we might agree to it.

The CHAIRMAN: We will take them as adopted.

Expulsion of Undesirable Aliens.

"That where aliens are deported under the law of any Dominion to a part of the United Kingdom, it is desirable that some system should be devised whereby the Dominion may effectively co-operate in the measures necessary in the United Kingdom for the final disposal of such aliens."

Mr. CHURCHILL: The last resolution is a very small matter indeed, but at present we suffer some inconvenience, particularly from South Africa, of undesirables who are deported coming in the ordinary course to English ports and reaching the United Kingdom. We have a sort of unofficial working arrangement with the Union of South Africa which gives us a certain amount of information about them. What we want is to devise in concert, without going too much into detail, some method by which when a Dominion deports an undesirable to a port in the United Kingdom we should have full notice that such a person is coming, in order that we may take steps to prevent our becoming a dumping ground for persons who are not fit to reside in one of the great Dominions. The resolution does not commit the Conference to anything further than that we may embark on a discussion through the Colonial Office in the regular way as to some means of regularising the present system. We should really rather like the Union of South Africa to keep an agent at Southampton, and, perhaps, Canada, an agent at Liverpool, to wark in harmony with our immigration officers in order to secure the ultimate disposal of the undesirables deported. That is really what we should like, but if you do not feel that you could do that for us, correspondence leading up to the systematisation of the methods by which we now get informed of those events is what we should like to embark upon.

General BOTHA: I agree that it is desirable to co-operate with the British Government in regard to the deportation of aliens to any part of the United Kingdom with a view to the final disposal of such aliens, and the Union Government will gladly enter into any suitable arrangement with the Home Government for such a purpose. When an alien is deported from South Africa all necessary information may be given to the Home authorities, so that they may know how to deal with such alien on his

arrival at the British port. But it must be borne in mind that the vast percentage of such undesirable aliens come to South Africa, not directly from their country of origin, but from British ports, and that, therefore, the only course open to the South African Government is to deport them to the British port from which they have sailed to South Africa. We can, however, understand perfectly well the anxiety of the British Government not to be permanently saddled with this rubbish of the European population, and would willingly co-operate with them in any possible scheme that they may devise and submit to us.

Mr. CHURCHILL: Thank you very much.

Sir WILFRID LAURIER: That seems to be quite satisfactory.

Sir JOSEPH WARD: The accepting of this resolution will not in any way, as far as New Zealand is concerned, of course, affect the way we treat aliens?

Mr. CHURCHILL: Not at all.

Sir JOSEPH WARD: I understand that. I also understand what is going on in South Africa, but I do not want to discuss it.

Mr. BATCHELOR: I have nothing to say on this resolution. I was just going to mention that it might be widened to include deportation to any part of the Empire, not only the United Kingdom.

Mr. CHURCHILL: To make it reciprocal.

Mr. BATCHELOR: Yes. Where aliens are deported under the law of any of the Dominions to any other Dominion or to any part of the United Kingdom, it is desirable that some system should be devised whereby the Dominions might co-operate.

Mr. CHURCHILL: There is no objection to that.

Mr. BATCHELOR: South Africa might deport to Australia, for instance.

Mr. CHURCHILL: What amendment do you suggest?

Mr. BATCHELOR: "From one part of the Empire to another"—I think that is the best form.

Mr. CHURCHILL: Yes, "from one part of the Empire to another whereby the Governments concerned may effectively co-operate in the measures necessary for the final disposal of such aliens."

Mr. BATCHELOR: Yes.

The CHAIRMAN: That meets you, does it not, gentlemen?

[AGREED.]

CELEBRATION OF KING'S BIRTHDAY.

"That the 3rd of June, the Birthday of His Most Gracious Majesty King George V., shall, in each succeeding year, be duly honoured and celebrated throughout the British Empire, and that such measures be taken by legislation, or otherwise, as may be deemed necessary to give full effect to this resolution."

The CHAIRMAN: There was the question we discussed informally the other day of the celebration of the King's Birthday. We had a general conversation, and I think our views generally coincided, but I have prepared a quite neutral resolution on the

subject which does not commit you to any particular proceeding except that of celebrating the King's Birthday on the 3rd June. It reads thus: "That the 3rd June, the Birthday of His Most Gracious Majesty King George V. shall, in each succeeding year, be duly honoured and celebrated throughout the British Empire, and that such measures be taken by legislation, or otherwise, as may be deemed necessary to give full effect to this resolution."

Mr. MALAN: I am sorry that the point which was raised in the previous conversation here is not referred to in this resolution, namely, that Empire Day, the 24th May, should coincide with the celebration of the King's birthday.

The CHAIRMAN: That is what I hoped would be the effect, but I thought perhaps you would not wish it laid down by Resolution of the Conference.

Mr. MALAN: The reason why I would like to have it in the resolution itself is to get uniformity.

Sir JOSEPH WARD: I think probably this resolution might be agreed to and a second resolution moved that, in the opinion of the Conference, Empire Day should be celebrated on His Majesty's birthday.

The CHAIRMAN: Will Mr. Malan move that?

Sir WILFRID LAURIER: We are wedded to the 24th May in Canada for Empire Day, but I do not know that we could not substitute for it another suitable day. The present Sovereign's birthday is on the 3rd June and we could have the holiday on that date, but suppose the next Sovereign's birthday is in January it might be all right in New Zealand, but January would not do for us.

Sir JOSEPH WARD: 24th May and 3rd June are too close together.

Mr. BATCHELOR: I am afraid I must ask you to alter this in some way before I can feel justified in committing Australia to it. This necessitates legislation: "That the 3rd June shall in each succeeding year be duly honoured and celebrated throughout the British Empire." That is a matter for our Parliament. If you put it "that it is desirable" that it should be, I have no objection to giving a vote in that form.

The CHAIRMAN: The official celebration of the King's birthday has nothing to do with Parliaments anywhere; it is instructions by the King to his Governors-General that they as the representatives of the Sovereign shall celebrate his birthday on a particular day. This is only a suggestion to make the celebration rather more general.

Mr. BATCHELOR: You say that such measures should be taken by legislation or otherwise as may be deemed necessary.

The CHAIRMAN: That is as to a public holiday and matters of that kind.

General BOTHA: The difficulty we have in South Africa is that we have already got three holidays in May, Whit Monday, Empire Day on the 24th, and Union Day on the 31st. When there was a Bill proposed in the last Session, the commercial people objected very strongly and said, "No, do not have the 3rd June, but have a later date."

The CHAIRMAN: The first Monday in August.

General BOTHA: So we have the first Monday in August, but our idea was that if you could unite Empire Day and the 3rd June there would be no difficulty.

The CHAIRMAN: I do not think it is necessary that Empire Day should be changed in each Dominion of the Empire. I quite agree to the convenience of it, and if South Africa chose to celebrate Empire Day on the 3rd June I think it would be very suitable. There is no reason why Canada should change the date if she does not want to.

Sir WILFRID LAURIER: If you make it Empire Day it will make uniformity of date.

General BOTHA: I understand you have not put "Empire Day" in the resolution.

Sir JOSEPH WARD: I suggest as a second resolution: "That in the opinion of the Imperial Conference it is desirable that Empire Day should be celebrated on the Monarch's birthday throughout the British Empire." Whenever the Monarch changes, the date of Empire Day would change. Why should we have the two days? The 24th May and the 3rd June are too close, and in New Zealand we should certainly celebrate Empire Day on the 3rd June, but it is not desirable, in my opinion, to have one day in Canada and another day in South Africa.

General BOTHA: I think the King's birthday should be the Empire Day.

Sir JOSEPH WARD: It is not desirable to have a separate day, because it is an Empire movement, and it ought to be held on the same day in England and in our countries. I think we should make it the Monarch's birthday.

The CHAIRMAN: But there is no official celebration of Empire Day here.

Sir WILFRID LAURIER: In Canada we have a statute making Victoria Day a public holiday.

Sir JOSEPH WARD: So have we.

Sir WILFRID LAURIER: Therefore you will have to repeal that, and there may be some difficulty or objection raised.

Sir JOSEPH WARD: Of course, if we cannot do it, it is a different thing.

Mr. MALAN: We call the 24th May Victoria Day—that is the name of it. When the proposal was put forward to celebrate Victoria or Empire Day on the same date as the King's birthday, it was said: "But then you destroy to a very large extent the usefulness of Empire or Victoria Day by not having the same day right through the Empire," and it is for that reason that if you are to have a day of that kind at all it must be on the same date, otherwise you destroy the usefulness of it.

The CHAIRMAN: I do not venture to make any suggestion to the Dominions as to what they should do about Empire Day, because that is entirely their concern.

Sir WILFRID LAURIER: We should not apply it as a legal holiday, but do as we did in the last reign, keep the King,s birthday with nothing but a salute and an official dinner.

The CHAIRMAN: If it is your desire. This is only really a declaration that the King's birthday shall be celebrated on the actual date of his birthday.

Sir JOSEPH WARD: Yes, I think we ought to carry that.

The CHAIRMAN: I do not wish to go any further as to Empire Day.

Mr. BATCHELOR: I think it ought to have the words "That it is desirable."

The CHAIRMAN: I do not mind—"That it is desirable that the 3rd June," and so on. We may take that as carried.

[AGREED.]

Sir JOSEPH WARD: I beg to move "That in the opinion of the Imperial Conference it is desirable that Emipre Day or Victoria Day should be celebrated on the Monarch's birthday throughout the British Empire."

The CHAIRMAN: "Celebrated in the Dominions."

Sir JOSEPH WARD: In the Old Country too.

The CHAIRMAN: We have no official celebration of Empire Day here.

Mr. MALAN: No, but the King's birthday.

The CHAIRMAN: Empire Day has never been adopted by the Imperial Government; flags are not flown on public buildings on that day.

Sir JOSEPH WARD: I think we ought to suggest they should do it.

The CHAIRMAN: I think you had better let us celebrate our King's birthday.

Sir JOSEPH WARD: Then I will say, "throughout the self-governing Dominions."

The CHAIRMAN: We will see what Sir Wilfrid Laurier says to that.

Sir WILFRID LAURIER: For my part, I stick to the 24th May.

Sir JOSEPH WARD: Then you need not alter it. I think you will find it inconvenient to have the King's birthday on the 3rd June and Empire Day on the 24th May in any case.

Sir WILFRID LAURIER: I am quite willing to say Victoria Day or Empire Day, but now you want to substitute the 3rd June instead of the 24th May, and I feel then that we must suppress the 24th May.

Sir JOSEPH WARD: We cannot continue the 24th May in New Zealand and the 3rd June also in New Zealand. I very much doubt whether the people in our country would have two holidays so close together.

Sir WILFRID LAURIER: I agree with you, but I understand we can celebrate the King's birthday not as a legal holiday. You never observed the 9th November as the late King's birthday.

Sir JOSEPH WARD: Yes, always.

Sir WILFRID LAURIER: In what respect—as a legal holiday?

Sir JOSEPH WARD: Yes.

Sir WILFRID LAURIER: It was not so with us.

General BOTHA: There is another way out, Mr. Harcourt, if you leave Empire Day entirely out.

The CHAIRMAN: This is really a domestic matter for the Dominions, and I do not take part in it, because officially we do not celebrate Empire Day here.

Sir JOSEPH WARD: I have made it "Dominions." We look at it from two standpoints, one the desirability of celebrating Empire Day and not having it blotted out, which I think is very important, and I am satisfied that in a country like New Zealand our people would not agree to two days, the 24th May and the 3rd June, being regarded as holidays. It seems to me that an expression of opinion from this Conference as to the desirability of having Empire Day or Victoria Day cele-

brated upon the Monarch's birthday, not the present King's birthday but each Monarch's birthday in the years to come, is a good thing, because it would perpetuate Empire Day or Victoria Day for all time, and while I have personally the highest reverence for the late Queen Victoria, who reigned so long over this country, I think in practice it is not possible for the oversea countries to attempt to keep up on the birthday of a former monarch the recognition of the fact that it was a glorious reign and a good reign, though we want in some tangible form to show that we appreciated it. We appreciate it just the same, but for practical reasons it seems to me we ought to have an understanding that Empire Day is to be celebrated on the Monarch's birthday in such of the countries as desire to do it.

Sir WILFRID LAURIER: If you leave it "in such of the countries as desire to do it" there is no need for such a resolution as this. I would point out this difficulty which we have in Canada and which exists also in South Africa, that the 24th May is Empire Day. It is understood now that you propose to let the celebration take place on the Monarch's birthday. That is all right at the present time, but just consider those conditions. The Monarch's birthday is on the 3rd June, and in most of the Empire that would be a very convenient day, but if the Sovereign's birthday were to be in the month of January, in Canada we could not make a celebration then as conveniently as we could in the month of June. We did not observe the last Monarch's—King Edward VII.—birthday on the 9th November, which is stormy weather with us, but celebrated it on the 24th May. The celebration we had was simply a Royal salute and an official dinner, but it was not made a legal holiday. Now you propose that Empire Day should move with the birthday of the reigning Monarch, and you propose to leave that to the Dominions. It is far better to leave it to the Dominions to celebrate it if they choose.

The CHAIRMAN: The Prince of Wales's birthday is on the 23rd June.

Sir WILFRID LAURIER: Then it is all right for two generations.

Sir JOSEPH WARD: Of course if the movement for the celebration of Empire Day throughout the Dominions is to be what I call of practical use, it seems to me very important that we should have it on one day throughout the Empire if we can. I am quite certain that in New Zealand we will not continue the celebration on the 24th May, which is too close to the 3rd June, because it would mean public holidays in both cases and with the Prince of Wales's birthday coming on the 23rd June that still aggravates the position, and it does seem to me that it is desirable that we should fix one day. It would look very awkward indeed, as far as Empire Day is celebrated, if we celebrate it on King George's V.'s birthday, and in some other country they carried it out on the 24th May, and in another portion of the Dominions on another day still.

Sir WILFRID LAURIER: It is not worth while having a discussion upon it.

Mr. BATCHELOR: As far as Australia is concerned, Empire Day is not a statutory holiday. In some of the States, however, they issue a proclamation declaring it a public holiday, but the practice in the States varies; they do not all have the same, and it would be no use our passing a resolution as we cannot express any opinion on the matter. We must leave it to them.

Sir JOSEPH WARD: Unless there is unanimity on the point I see that is is quite useless, but as far as New Zealand is concerned I feel sure we will fix ours on the 3rd June.

The CHAIRMAN: It is better to leave the resolution we have passed.

General BOTHA: I think we should stick to this resolution, and let the Dominions, as suggested by Sir Wilfrid Laurier, settle for themselves.

Sir JOSEPH WARD: Then we shall not have it on a stated day, and we will all celebrate it on different days.

Sir JOSEPH WARD: I want to give notice of motion* for another day: "That in the opinion of the Imperial Conference it is desirable in the interests of the respective countries concerned that each coloured race should be encouraged to remain domiciled within its own zone."

The CHAIRMAN: It had better go on the agenda, but I do not know what day it can go on, as we are rather full. It had better go down on the 19th, when the position of British Indians is down for consideration, and the India Office will be represented here.

Sir JOSEPH WARD: That would be a very good time.

The CHAIRMAN: May I mention this meeting at the War Office to-morrow at 10.30. It was not expected that all the members of the Conference would take part in the meeting, but only those representatives interested in Military Defence. If any Minister finds it inconvenient to send a representative to attend, the Australian representatives, who, I understand, will be there in any case, will discuss their subjects with the War Office.

General BOTHA: I will not be present, Mr. Harcourt, but Mr. Malan and Sir David Graaff will go there.

The CHAIRMAN: I think it would be a pity if we upset this engagement which has been made if it is possible for a sufficient number of people to attend. Will Canada be represented?

Sir FREDERICK BORDEN: I can be there.

Sir JOSEPH WARD: I cannot be there owing to another important engagement. Dr. Findlay will attend for New Zealand.

The CHAIRMAN: Then the appointment may stand, as there will be a representative from practically every Dominion.

Adjourned to Thursday next at 11 o'clock.

---

* See p. 394.

NINTH DAY.

Thursday, 15th June, 1911.

The Imperial Conerence met at the Foreign Office at 11 a.m.

Present:

The Right Honourable H. H. Asquith, K.C., M.P. (President of the Conference).
The Right Honourable L. Harcourt, M.P., Secretary of State for the Colonies.
The Right Honourable H. Samuel, M.P., Postmaster-General.

Canada.

The Right Honourable Sir Wilfrid Laurier, G.C.M.G., Prime Minister of the Dominion.
The Honourable Sir F. W. Borden, K.C.M.G., Minister of Militia and Defence.
The Honourable L. P. Brodeur, K.C., Minister of Marine and Fisheries.

Australia.

The Honourable A. Fisher, Prime Minister of the Commonwealth.
The Honourable G. F. Pearce, Minister of Defence.

New Zealand.

The Right Honourable Sir J. G. Ward, K.C.M.G., Prime Minister of the Dominion.
The Honourable J. G. Findlay, K.C., LL.D., Attorney-General and Minister of Justice.

Union of South Africa.

General The Right Honourable L. Botha, Prime Minister of the Union.
The Honourable F. S. Malan, Minister of Education.
The Honourable Sir David de Villiers Graaff, Bart., Minister of Public Works, Post and Telegraphs.

Newfoundland.—

The Honourable Sir E. P. Morris, K.C., Prime Minister.
The Honourable R. Watson, Colonial Secretary.

Mr. H. W. Just, C.B., C.M.G., Secretary to the Conference.
Mr. W. A. Robinson, Senior Assitant Secretary.
Mr. A. B. Keith, D.C.L., Junior Assistant Secretary.

There were also present:

Lord Lucas, Parliamentary Under Secretary of State for the Colonies;
Sir Francis Hopwood, G.C.M.G., K.C.B., Permanent Under Secretary of State for the Colonies;
Sir C. P. Lucas, K.C.M.G., C.B., Assistant Under Secretary of State for the Colonies;
Mr. G. W. Johnson, C.M.G., Colonial Office;

Sir M. NATHAN, G.C.M.G., Secretary to the Post Office;

Mr. E. W. FARNALL, Assistant Secretary to the Post Office;

Mr. R. J. MCKAY, General Post Office;

Rear-Admiral Sir CHARLES OTTLEY, K.C.M.G., M.V.O., Secretary to the Committee of Imperial Defence;

Mr. ATLEE A. HUNT, C.M.G., Secretary to the Department of External Affairs, Commonwealth of Australia;

Mr. T. A. COGHLAN, I.S.O., Agent General for New South Wales and Representative of the Commonwealth of Australia on the Pacific Cable Board; and

Private Secretaries to Members of the Conference.

The PRESIDENT: The Government of New Zealand has the first resolution.

CHEAPENING OF CABLE RATES.

"That in view of the social and commercial advantages which would result from increased facilities for inter-communication between her Dependencies and Great Britain, it is desirable that all possible means be taken to secure a reduction in cable rates throughout the Empire."

Sir JOSEPH WARD: Mr. Pearce has just asked me whether it is intended to take the two branches, the Cheapening of Cables and the Nationalisation of the Atlantic Cable, together. I am inclined to think it would be better to keep them separate.

The PRESIDENT: Yes, keep them separate, if you please.

Sir JOSEPH WARD: I would like to say with reference to this matter that this subject of the cheapening of rates between the old country and the oversea countries has engaged a great deal of the attention of the Governments of all the parts concerned for some years past, and a good deal has been accomplished in the direction of cheapening cable communication already, but in my opinion it has not gone to anything like the extent it ought to do. I will endeavour to show that by a cheapening process better results could be obtained for the cable companies if they allow their cables to be used reasonably fully. The very restrictive business which is now imposed as the outcome of the public generally being prevented from using those cables would be removed, and a very much wider use of the cables could be made. Previous to the laying of the Pacific cable, for instance, the charge from New Zealand to the United Kingdom was 5s. 2d. per word, that is for ordinary messages (I am not referring to Press or Government messages) and it is now 3s. a word, and there was a proposal made not long ago further to reduce the charge to 2s. 6d. a word. That was contemplated, as a matter of fact, but the introduction of the deferred system of cables put that aside, and we remain as we were before at 3s. a word.

I want to refer to the financial results of the Pacific Cable Board for a moment, because I know it is not an unusual thing to point out that, after making provision for a provident fund, and for the maintenance of the repair ship, and all the expenses connected with the cable stations and the cable itself, the financial results to the contributories to the Pacific Cable Board, who represent the owners, the United Kingdom, Canada, Australia, and New Zealand, do not justify the further lowering of the charges over that cable. The total cost under all headings of the Pacific Cable for 1910, including, as I have said, the provident fund, the maintenance of the repair ship, and all the expenses at the head office and the cable stations, amounted to

63,767*l.* in round figures, and the receipts to 111,723*l.* That left a sum of 47,956*l.*, to meet the renewal account, and 20,000*l.* of other charges. My belief is—and it is the experience in connection with the working of the New Zealand telegraphs—and I have also noticed the same thing applies to a very large extent to the working of the postal system in Canada, for the purpose of making a comparison as to what the lowering of charges will bring about, that if you keep the charge at a point at which the public will not use it freely, you do distinctly restrict the business and consequently restrict the revenue. If you go far enough to induce the public to use it, that is to say, if you take the converse case, all the experience we had in connection with the establishment of penny postage in Canada and New Zealand, that while we made an enormous reduction from the old rates to the new, as the result of coming down to a popular charge, the services were used to such an extent by the public, that within 2½ years both those countries not only recovered the enormous loss they made in the first instance, but they made a considerable profit beyond; and my opinion is that this system they have in operation connected with the cables at the present time, not the Pacific Cable alone but the other private companies which are working, and not keeping their wires full, and combining and allowing a number of their cables to be not only not fully used, but some of them practically not used at all, is injurious from the point of view of the public, and certainly has a most restrictive effect on the use of the cables themselves.

I would just like to take the opportunity of saying I agree to a very large extent with the views put forth in a memorandum by Mr. Henniker Heaton concerning cable business, and I will put a portion of it on record, because it puts in a concrete form my views of what I believe ought to be the policy of the countries that now own the Pacific Cable, and, indeed, in connection with cable services generally. I want to make it clear that I should be one of the last, and I am perfectly sure there is no other representative at this table who would desire to do anything to injure the existing private companies who have carried on a great work, and prior to the Pacific cable becoming State-owned did the work of the world as far as cables were concerned very well, and had always kept before them the interests of the shareholders of the different companies concerned; but at the same time their rates for many years, in my opinion, were excessive, and prevented the public using those cables. My own belief is—I am not introducing the matter here except incidentally—that it would pay all the countries concerned to relieve those people of their cables altogether, and pay them full value, and run them as the State-owned Cables and a very large profit, after providing an Amortization Fund and a Depreciation Fund, could be obtained if a course of the kind I am suggesting was put into effect.

Probably the better plan will be to deal with the question of the State-owned Atlantic cables, but I want to say just at this point that in this matter of the cheapening of the cable rates there is a feeling, certainly in the oversea countries, that the present position is due to a combination; it is believed there is a ring in the cable world and that the whole of us are governed by an outside ring, who now maintain high charges over those private cables. That feeling is very widespread: it spreads through a large section of the community who have no desire to injure those private companies. It is a feeling which has existed for quite a long time, and we do not get at the present time the full benefit of the Pacific Cable from the standpoint that it was intended to be a national cable to England itself, exclusive of the overland portion of the territory of Canada, and we feel all the time that, although we are ready and willing to do our part in assisting to have a cable laid across the Atlantic upon which we could have lower charges, the feeling is very widespread, and I think it is only right to say so, that all the restriction that comes in at this end between America and England, so far as the conveyance of messages goes, is debarring us from seeing the policy of a cheapening process in the general interests of the public given effect to, and it is this combination that is controlling everything

and stopping that policy being carried out. I only want to put that on record because almost every section of the community in the country I represent which uses the cable to England has that feeling, and it is difficult to understand why so many of those cables should be practically empty on this side, while we are all fighting and willing to do our part in making a contribution toward the cost of a cable which would enable the lowering of the rates between the overseas countries and the Old Country itself to be put into operation.

The PRESIDENT: Is that a mere suspicion on your part?

Sir JOSEPH WARD: It is a most pronounced feeling. I am not referring to the Government.

The PRESIDENT: I quite appreciate that.

Sir JOSEPH WARD: The point I wish to bring before the Conference is this. The amount New Zealand pays to the Pacific Cable is 8,000*l.* or 9,000*l.* a year, and we look on it as a mere bagatelle; if it were possible for us to have the system completed across the Atlantic, if it cost us 20,000*l.* a year, we would look on that as a mere bagatelle; it would give us the means of ensuring—I do not say there is anything improper on the part of the combination because they are trying to do the best they can with their cables—the regulating the rates to and from the Old Country. We would look on the contribution we were giving towards the cost of having a complete service of the kind as a very small matter compared with the benefits that would arise from it.

I do not want to go into the Press aspect of it, but over the Pacific Cable to New Zealand there is the very greatest difficulty in obtaining Press messages across that cable to our country at all. That we know is due to a combination for the purpose of sending the Press messages from the Old World to Australia, and then they filter through to New Zealand, and that is done by an agreement between certain Press proprietors. That is not the fault of the Pacific Cable Board.

The PRESIDENT: Is that the way you get all your Press' information?

Sir JOSEPH WARD: Yes, it comes through Australia and on to New Zealand, but still the fact remains that we have a link connecting New Zealand with the Old Country across the Pacific and Canada, and that is not used for Press purposes at all. Only once in a way has it been used for the purpose of conveying Press messages, and I think I am right in saying that it is very little availed of.

Mr. FISHER: It is not correct to say that it has hardly been used for Press purposes. We get and send a lot of news over it by arrangement.

Sir JOSEPH WARD: From Australia to England?

Mr. FISHER: Yes.

Sir JOSEPH WARD: I am not talking about from Australia to England; that is a different thing.

Mr. FISHER: You are talking of to Australia.

Sir JOSEPH WARD: I am talking about the service being used for Press purposes from the Old Country to New Zealand and Australia too.

Mr. FISHER: You do not mind my pointing out that that statement does not apply to Australia.

Sir JOSEPH WARD: Are you getting Press messages over the Pacific Cable to Australia?

Mr. FISHER: Yes, both ways.

Sir JOSEPH WARD: It must be a very recent arrangement. That is under an arrangement by which you are independently subsidizing the Press service?

Mr. FISHER: Yes, it was done by a resolution in Parliament.

Sir JOSEPH WARD: That confirms my contention. In reply to Mr. Fisher's statement, Australia is in this position that they are not only giving a subsidy as a co-partner in the ownership of the Pacific Cable to the capital cost of the establishment of the Pacific Cable in the first instance and also their proportion of the annual loss, but to enable them to have the benefit of the State-owned service for Press work, they have in addition to that, within the last twelve months by the authority of Parliament, agreed to pay a further overriding amount to enable them to get Press messages to and from England over their own State cable. Why should that be?

Mr. FISHER: We want the news.

Sir JOSEPH WARD: Do you not see that confirms the very statement I am making, that to enable one of the countries which is a co-partner in the Pacific Cable to obtain news through that cable they have, after the Pacific Cable has been in operation for a number of years, within the last twelve months decided to dip their hands into the treasury of the Commonwealth to give a contribution to enable Press messages to go over a cable of which they were co-partners. That was the only thing Australia could do, and it was a good thing under the circumstances to do too; I am not suggesting otherwise. It was a practical way of availing themselves to use their own cable. But it ought not to be necessary all the same. Recently I discussed a similar proposal with a view to seeing whether we could not have the use of this cable for Press work to New Zealand and the same position arose as arose with the Commonwealth. If we want to get Press messages out to our country over that Pacific Cable, in addition to giving our contribution of 8,000*l.* or 9,000*l.* a year towards the deficiency upon the work, after making a full provision for the various sides of the cable service, we were asked to pay the whole cost of the Press messages. That does not appear to me to be a business-like arrangement and is not one I would assent to as far as New Zealand is concerned.

In short, I want to say that the position of the cable service to my mind, in the matter of enabling us to come closer to the Old World and to bring the Old World closer to us, is in a most unsatisfactory position, and, speaking for myself, I believe it would pay the Old Country, and pay our countries, and would result in no loss whatever, if we owned the whole lot of them, even if the same people controlled them, just as under the system of ownership of the Pacific Cable Board. As a matter of business they are entitled to do the best they can with their cable services—one recognize that, but in these times, when there is great development going on throughout the Empire, I say as regards these cables between the Old Country and the overseas countries, it is not satisfactory that we should, from year's end to year's end (and I have been at it 20 years personally), be always in the position of fighting and battling against what we believe to be a system of combine, and is injurious as far as the people using these cables both in Great Britain and in the different parts of the overseas countries is concerned.

I want, without taking up the time of the Conference unnecessarily, to express the very strong hope that there might be something done by this Conference which would bring about an improvement in the direction of making those cables more available for the public generally. The big mercantile concerns are not the only people to be considered ; they have to carry on their business, and they do not object to paying the existing cable rates—in ninety-nine cases out of a hundred they make somebody else pay them—but the outside world cannot use those cables at all, unless they are fairly well-to-do. I beg to move the resolution.

The PRESIDENT : I think it would be convenient that the Postmaster-General should now make a statement.

Mr. SAMUEL : This is a resolution with which the Government of the United Kingdom very cordially sympathise, and which they will be very glad indeed to support. This Conference has discussed already many matters of great importance, but, possibly, there are few which are of more real permanent importance to the Empire at large than this question of the cheapening of cable communication. Geographically scattered as the Empire is, it is obvious that few things are likely to contribute more to its political unity and commercial development than the establishment and maintenance of a cheap and effective system of inter-communication. Some progress has been made, as Sir Joseph Ward has said. If you compare the cable rates now with what they were say 15 or 16 years ago, you will find that, except as regards the trans-Atlantic rates, they have as a rule been about halved. More important, perhaps, than the actual rates themselves is the alteration that has been effected in consequence of the resolution of the Imperial Telegraph Conference of 1903, which permitted the use of artificial code words, the effect of which has been to enable people, business people especially, who use cable codes, to pack into a single code word an astonishing number of plain language words, and this has resulted in a further cheaping of cable communication. Since the last Imperial Conference the Press rates to Australia have been reduced, largely as the result of the Imperial Press Conference, from 1*s.* to 9*d.*, not only to Australia but also to New Zealand and South Africa and India. But I quite agree with Sir Joseph Ward that such progress as has been made is quite inadequate and that the present rates in many respects are burdensome, and that a further reduction is eminently desirbale, and I should like to inform the Conference of the steps that have been taken, and are being taken, by the Post Office of the United Kingdom to bring that about.

In the first place, a suggestion was made some time ago, originated, I think, by the Australia Government, but supported by the Postmaster-General of Canada, and by the Pacific Cable Board, that a special reduction of rates should be made in the case of telegrams that are not in code but in plain language, and which without disadvantage could be susceptible of deferment—which were not urgent telegrams like many business telegrams are. Plain language telegrams are obviously far more costly than code telegrams, and persons who are not in the position to use code are very heavily burdened by the existing cable rates. Many telegrams of a social character are not of such an urgent nature that the delay of a few hours would really matter. The messages are not such as can be sent through the post, and thereby suffer a delay of possibly weeks, but a delay of twelve or fifteen hours is not vital in the case of a great number of messages.

On the other hand, the cable companies for many hours in the day have their channels of communication by no means filled, and it is to their advantage to attract traffic which could be handled by them at times convenient to them. This suggestion has been cordially welcomed by my department, and we have been, during the last few months, in negotiation with the leading cable companies, and we have secured the consent of all the principal cable companies communicating with the United Kingdom to a reduction of 50 per cent. in the cable rates for cablegrams which are in plain language, and which at their option may be deferred in delivery for a period which, however, in no case must exceed 24 hours. An alteration of that character, while, perhaps, it does not absolutely need the consent of the other administrations which are parties to the International Telegraph Convention, is, at all events, such as to make it desirable that we should have the consent of the other administrations, and there has been some delay in effecting this alteration through the necessity of securing the consent of other Powers.

Within the last few days a Conference has been held between the postal administrations of England, France and Germany in Paris on this subject, and although the negotiations are not yet completed, there is every reason to hope that the assent of those administrations will be given to this scheme, and that it will be followed by the assent of the other Powers which are chiefly interested. I have every expectation that by the 1st January next we shall be able to establish a new rate over the important lines of communication, eastern, western, and southern from the United Kingdom, at 50 per cent. less than the present rate for all plain language cablegrams which are liable to deferment of not more than 24 hours.

Secondly, I have been taking action with a view to the reduction of the Press rates, which are at present frequently too high, and certainly, as Sir Joseph Ward has pointed out, check the adequate dissemination of news throughout the Empire. The Press cablegrams not, of course, being able to have the advantages of the code system are seriously disadvantaged as compared with ordinary commercial cablegrams.

A third measure which I am taking relates to Government control over rates generally. At present, of course, as the Conference is aware, there is no control at all over the rates charged by the various cable companies, and that fact lends colour to the conception which Sir Joseph Ward has pointed out, is entertained in many quarters that there is a ring, and that cable rates are maintained at a figure unduly high in some cases. I certainly think cable communication is so vital to the well-being of the Empire that there ought to be some State control over the rates charged by the cable companies, and this, I think, can be most easily effected through the licences which are necessary for the cable companies to enable them to land their cables in this country. The licences of the companies expire at various dates, some of them this year, and some next year, almost all of them within the next 10 years, and I propose to lay down the policy that in all new landing licences there shall be a clause giving effective Government control over rates, with due security to the company against the abuse of this power. The substantial paragraph in the clause in this: "This Postmaster-General may at any time by "notice in writing delivered to the company object to the rates of charge of the "Company or any of them, on the ground that they are not just and reasonable "in the interests of the public, whether in the United Kingdom or abroad," and in the event of disagreement on the part of the company to any suggested reduction proposed by the Postmaster-General, there is proposed to be a right of appeal to the Railway and Canal Commission, which is, I think the members of the Conference will agree, a very suitable body to adjudicate in this matter. I think this control over the rates being charged, while giving due regard to the proper maintenance of the cable system and the stability of the finances of the cable companies, will, in the future, enable reasonable reduction of rates to be made.

The Prime Minister suggests that I should explain that the Railway and Canal Commission consists of one judge, one gentleman who has had commercial experience, and also, as it happens, parliamentary and legal experience, and one member with special experience of railway matter. This Commission has, I think, the confidence both of those who represent public interests and those who represent commercial interests as holding the balance very fairly, and while not supporting rash attacks on commercial interests, at the same time seeing that the interests of the community at large are safeguarded. I should point out that it is the body to which the great arbitration between the State and the National Telephone Company as to the value of the Telephone Company's plant has been referred with general public approval in this country.

Sir JOSEPH WARD: Is that a judge of the High Court ?

The PRESIDENT: Yes, a judge of the King's Bench. Perhaps I might say that when I was at the Bar I practised for many years before this Commission and

represented both traders and railway companies at various times, and I can say from a pretty long experience that it gives universal satisfaction. It is a very well constituted body, a judge, a business man, and a railway man, the judge presiding and determining all questions of law himself, and upon questions of law, and only questions of law, there is an appeal to the Court of Appeal.

Mr. SAMUEL: The fourth and the last measure relates to the establishment of a system of wireless telegraphy, but the discussion of that had better be postponed until we come to Sir Joseph Ward's proposal under that head. I certainly think the development of the system of wireless telegraphy cannot fail in the future to have some effect on the reduction of cable rates. Along those four lines we are now proceeding—the establishment in the near future of a new rate, half the present rate, for telegrams which are in plain language and liable to deferment of not more than twenty-four hours; a reduction in press rates which we contemplate may be possible in the not far distant future; further, we have the general system of control over the companies which will be enforced through the landing licences, and fourthly the reduction which may be expected to accrue in the future from the development of wireless telegraphy. So that in passing this resolution, as I trust it will do, the Conference may feel assured that it will not merely be giving expression to a vague declaration embodying an unexceptionable sentiment, but also that the resolution will be followed in the near future by effective achievements in the direction that is so much desired.

Sir WILFRID LAURIER: The resolution is certainly timely, and we in Canada will have no hesitation at all in endorsing it. The explanation just given by Mr. Samuel has shown, however, that the evil which the resolution seeks to remedy is already pretty well on the way to being extinguished altogether. All the trouble which exists at the present time and which we complain of seems to be centred on the Atlantic part of the communication. On the Pacific Ocean we have the Pacific Cable, which is practically under the control of the Governments represented at this table. Across the Continent we have two or three lines of communication already, although only one of them, I think, at the present time is in direct communication with the Pacific Cable, that is to say, the Canadian Pacific Railway Line. But I would observe that we have in Canada also a Commission similar almost to the Railway and Canal Commission of which Mr. Samuel has spoken, which has given satisfaction in our country, and I might also say that our Commission has given very general satisfaction. The tolls of the telegraph lines are under the control of this Commission, and if any complaint is made that the tolls are excessive the matter can be at once investigated and is under the jurisdiction of the Commission, and if a grievance is found I have no doubt at all that the remedy will be immediately applied. The trouble is with the Atlantic part of the present cable. There is an impression in my country that there is a combination between all the cable companies to maintain the tolls at an excessive rate. Mr. Asquith asked a moment ago if that was only a feeling or if there was more behind it. There is a feeling amounting almost to conviction that such a thing exists; it would be perhaps difficult to prove it mathematically, but if a proper investigation could be had, I think it would show that there is good ground for the feeling which now prevails.

The remedy, however, suggested by Mr. Samuel seems to me adequate to reach such an evil if it exists. We have introduced legislation on that line to try to take possession of the cable at our end of the line, and it is exactly on the line of this resolution suggested by Mr. Samuel, that is to say, that by giving the licences to the companies, the Governments interested should keep themselves the control over the rates. If that legislation is followed to its legitimate conclusion, it seems to me that we have reached almost the very remedy which we have in view and which

would work satisfactorily. Having the control of the lines of the Pacific Cable practically under this board, having the tolls of the continental part under the jurisdiction of an independent judicial body, if we now have the control of the licences over the Atlantic it seems to me that we ought to reach the solution we have in view.

For my part, I think Sir Joseph deserves much congratulation for having brought the matter to the attention of the Conference. As stated by Mr. Samuel, it suggests nothing practical, but simply draws the attention of the Conference to it, and the attention of the Conference having now been given to it, and the explanation having been made by Mr. Samuel, I think we are in a fair way to reach the desired settlement.

Mr. FISHER: I want to be brief, and I want my colleague, the Minister of Defense, to speak. Two points are raised by this resolution: increased cable facilities and lower rates. These two points appeal particularly to New Zealand and Australia, because for four weeks we are dependent entirely for the information we receive about European or American affairs upon the cable news. It does not strike the ordinary person here how we are situated. The increased facilities will mean, I presume, lower rates and better conveniences of every kind. If we are going to have increased facilities, those facilities can only appeal to me if there is going to be a larger amount of news. If this is not out of place, I would like to say, a better class of news.

Sir Wilfrid Laurier talked about there being a feeling, almost amounting to a conviction, that there were certain interests on the American side of the water which prevented these facilities being as great as they might be. I can assure you that it not only exists in Canada, but that feeling has got as far as our own country. Of course it is not our business to investigate as to whether it is well founded or not, but at any rate it is there. I do not know, as far as the present Government is concerned, how far the Government of the United Kingdom would go with the other partners in the Pacific Cable in providing a facility such as this for more speedy communication, say, from Australia to Europe—a low cable rate from Australia or New Zealand to Montreal, with the right of posting it at Montreal and *vice versâ*. That would bring us within easy touch of you in a week's time. That is a suggestion which will ultimately have to go probably to the Pacific Cable Board; but at any rate it is a proposition which has been made by our own Postmaster-General, and it is one, I think, which should have weight. A great part of the distance would be covered by the Pacific Cable. The other part would be the land lines on Sir Wilfrid Laurier's territory of Canada. How are you to treat us upon that line in future we do not know, but we are looking forward to some greater facilities, in the words of Sir Joseph, very diplomatically expressed, I think, in the direction both of expedition and cheapness.

I do not propose to do more than say that anything that can be done by your Government, Mr. Asquith, or by the co-operation of all the Dominions together in facilitating communication and intercommunication speedily, cheaply, and accurately, the better will it be for all of us.

Mr. PEARCE: The statement made by Mr. Samuel this morning, of course, gives a ray of hope to those of us in the southern part of the world who have been looking forward to some increased mean of communication, but we feel that even that statement, although it is an improvement on the present position, is not entirely satisfactory to us. To our mind the method of controlling these charges in the future suggested by Mr. Samuel will not be a perfect remedy, nor will it achieve the end we have in view. The end we have in view, I take it, is the development of the transmission of news between the Dominions and the Mother Country. Mr. Samuel himself, in his opening statement, referred to the time when the charge for messages

between Australia and the Motherland was 9 s. a word. What was it that brought about the reduction? Not any action by the company itself, but the action of the combined Governments in laying the Pacific Cable—that and nothing else. It was the threat of it that brought about that first reduction to 4s. 6d., and it was the actual putting into action of that threat that brought about the further reduction to 3s. for ordinary messages and 1s. for press messages.

When we come to this proposal that in the landing licenses the Government of the United Kingdom will exercise its power to bring these rates before the Railway and Canal Commission, we are advised that it is a certainty that that Commission must decide the rates on such basis as will leave a profit to the companies carrying on those cables. Now the policy of the various Governments that have brought about the reduction I refer to has been to achieve the result even at a loss. That is a line of policy this Commission can never adopt; that is a line of policy which is absolutely closed to this Commission. They cannot do that; they cannot say to the companies, "We shall fix a rate for you which will cause you to carry these messages at a loss." They must always fix a rate on such lines as will give these companies a profit which will give them interest on their capital. Therefore, if we are to achieve, as we have achieved partially with the Pacific Cable, the full development of these messages for the purpose of assisting all portions of the Empire, that will not be a final solution of the difficulty. It is a temporary solution and certainly puts us in a better position, but as there is another proposition coming on to-day which will propose a different method, I will ask the Conference to reserve judgment, as far as Mr. Samuel's proposal is concerned, until we have an opportunity of discussing the other proposition. Then a comparison can be made of both and the Conference can then come to a conclusion as to which is the better policy for this Conference to adopt as most likely to lead to the development of the exchange of news between the various portions of the Dominions.

The only other point I want to raise is this, that the British Post Office has taken up an attitude towards a proposition by the Pacific Cable Board which I would have thought perhaps Mr. Samuel might have explained to us here. I am informed that it was the Treasury, but I dare say Mr. Samuel knows about it. The Pacific Cable Board wanted to lay a new cable between Australia and New Zealand for the purpose of facilitating business and also increasing their revenue. If this cable could have been laid it would have resulted in an additional revenue to the Cable Board of 14,000*l.* per annum. That would necessitate a Bill being passed by the Government of the United Kingdom to give authority to lay the cable, and the application was made to the Government for that permission. The Treasury asked first of all that the Governments concerned should give an assurance that if the wireless stations proposed to be created in the Pacific were erected these wireless stations were not to be used for commercial messages. That assurance was given, and then the Treasury informed the Board that they could not consent to the laying down of that cable between Australia and New Zealand, because in future it might interfere with the developments in connection with wireless. That was the only explanation we had, and it seems to me an extraordinary proposition, equivalent to saying that you will not lay down Dreadnoughts because an aeroplane may be able to blow them up or down.

Sir JOSEPH WARD: Quite right; it ought to be done.

Mr. PEARCE: We would like, if it could be done, that some explanation should be made by you at this Conference, because it seems to us that if we could add to the revenue of the Pacific Cable Board to the extent of 14,000*l.* per annum, it puts that Board in a better position to make reductions on its ordinary messages. Possibly

that 14,000*l.* per annum might be used in still further reducing the charges, and it seems inexplicable to us that that consent should have been refused for the reason given.

General BOTHA: I will ask my colleague, Sir David Graaff, to explain our position.

Sir D. DE VILLIERS GRAAFF: We had a good deal to say upon this motion, but after having heard the explanation given by Mr. Samuel, the Postmaster General of the United Kingdom, I find that it meets our position fully, and I will say that it will be a matter of great satisfaction to our South African Union to see the efforts that have been made here, and so far, from my point of view, the very successful efforts of Mr. Samuel. The reduction of 50 per cent. in plain language messages is indeed to my mind a great concession for a very large number of people who send messages who are not business people, who do not code their telegrams, and they will enjoy this tremendous reduction. We, out in the Union do guarantee the Eastern South African Cable and Telegraph Company; that is to say, if their minimum amount of receipts does not exceed a given amount we give a subsidy of so much per annum. Of late we have paid the full subsidy, because, notwithstanding the fact that the rates had been reduced, it has not had the effect of increasing the revenue, and therefore we have had to pay, but we gladly support this resolution, for we are in favour of a reduction in the cable rates throughout the world. Our people, I am sure, will very much appreciate what has been done on the part of the United Kingdom Post Office, and I feel after what has been said that our interests have been safeguarded in that direction. I feel sure we would not have been able to do as well ourselves, and therefore we are content to leave the matter in the hands of the Postmaster General and gladly to support the resolution which is before the Conference now.

Sir EDWARD MORRIS: I would like to say also that this was a matter in which we were very much interested in Newfoundland, in that those rates were very excessive and prohibitive, although nine of the Atlantic cables are now laid to Newfoundland, but it seems to me that all that could be desired, or very largely, is being accomplished by the negotiations which have been going on, and, as has been stated by the gentleman who preceded me in speaking, I should have, perhaps, occupied the time of the Conference somewhat in putting forward our case in relation to this matter if it had not been for the very satisfactory explanation that we have had from the Postmaster General.

Mr. SAMUEL: The point raised by Mr. Pearce with reference to the suggested new cable to be laid by the Pacific Cable Board between Australia and New Zealand is a matter not within the province of the British Post Office but of the British Treasury. However, I will take steps to represent to the Chancellor of the Exchequer the strong desire that is felt both in Australia and New Zealand that the Pacific Cable Board should be authorised by the United Kingdom, so far as the United Kingdom is a party to that Board, to proceed with this work. Perhaps that is all I need say at present.

The PRESIDENT: I will see that further consideration is given to that matter.

Sir JOSEPH WARD: That is very satisfactory. I intended to refer to it on the question of the Atlantic Cable, but it is not necessary now.

The PRESIDENT: Mr. Peace, do you bring up the next resolution, as Mr. Fisher is not here?

Mr. PEARCE: Yes.

NATIONALISATION OF THE ATLANTIC CABLE.

Australia:—

"That this Conference strongly recommends the nationalisation of the Atlantic Cable in order to cheapen and render more effective telegraphic communication between Great Britain, Canada, Australia, and New Zealand by thus acquiring complete control of all the telegraphic and cable lines along the 'all-red route.'"

New Zealand:—

"That, in order to secure a measure of unity in the cable and telegraph services within the Empire, the scheme of telegraph cables be extended by the laying of a State-owned cable between England and Canada, and that the powers of the Pacific Cable Board be extended to enable the Board to lay and control such cable."

Mr. PEARCE: We bring up this resolution, Sir, because we think it is the only way in which we can achive any beneficial results. Mr. Samuel pointed out in his speech that since this matter was first taken up some progress has been made, with the exception of the transatlantic cables. That we regard as the weak link in the chain, and the proposition we have before the Conference is to get this Conference to express an opinion as to whether that cannot be remedied. The present position is that the Pacific Cable is owned by the Governments of the United Kingdom, Canada, Australia, and New Zealand. That is as far as Vancouver or Bamfield Creek, and then the Pacific Cable Board has obtained a lease of the land lines from Bamfield Creek to Montreal, but that land line lease expires within the next five years. That of course is being dealt with under another resolution and I will not refer further to that, except to say that at present the control of the Pacific Cable Board extends practically from Sydney at the one end to Montreal in Canada. Then we come to a short length of lane line, and then the cables across the Atlantic. To carry out the proposal to have an "All Red" telegraph route from the United Kingdom to Australia and New Zealand *via* Canada involves the construction of a cable across the Atlantic and a land line across Canada to Bamfield, the Pacific Cable Board's station on Vancouver Island in Western Canada. The route across the Atlantic may be either direct or *via* Greenland or Greenland and Iceland. The direct Atlantic cable would be more costly in point of construction than one taking either of the more northerly routes, but this disadvantage is more than compensated for by the lesser cost of working. The Atlantic line would also be more accessible for repairing and have the merit of not touching on foreign soil.

I may say that the Pacific Cable Board has been furnished with estimates of the cost of constructing a direct line from Killala to Newfoundland, and lines *via* Greenland and *via* Iceland and Greenland. The length of line from Killala to Newfoundland is 1,844 miles; a line *via* Greenland would be about 2,350 miles, and *via* Iceland and Greenland, 2,560 miles. The cost of construction, however, owing to the diffeence in the material employed, would make the economy in prime cost of the cable *via* Greenland 64,000*l*. cheaper than the direct cable, and the one *via* Iceland and Greenland 100,000*l*. cheaper, in the one case representing an annual charge of 2,240*l*., and in the other 3,500*l*. On the other hand, the Board's engineers estimate that the working expenses *via* Greenland would be 6,000*l*. a year more than those by the direct route, and *via* Iceland and Greenland 12,000*l*. more, so that the excess in prime cost is more than compensated for by the cheaper working of the direct cable.

At the present time the Pacific Cable Board, as I say, leases a telegraph line from Montreal to Bamfield from the Canadian Pacific Railway, but the arrangement

is only temporary, and it is proposed to construct a line from the terminus of the Atlantic cable to Bamfield. It is assumed that the Canadian Government will give leave for the construction of the line and allow it to cross Canadian territory free of cost, and the following estimate makes no allowance for any charge for wayleave if such should be imposed. It is assumed also that if the Imperial Government join with Canada, Australia, and New Zealand in the construction of an Atlantic cable and a connecting line across Canada to the Pacific, it would be so far interested as to do what the Australian Government does, that is, allow cable messages priority over its home lines, and not require them to wait to be transmitted in the order of their receipt at the telegraphic station. If the Imperial Post Office will not grant this concession to cable business, the Pacific Cable Board would be compelled to establish offices in the principal business centres of the United Kingdom and lease lines from those offices to London or to the cable terminus in Ireland, thereby incurring an expenditure of 26,000*l.* a year beyond what is included in the estimate.

Owing to the delay which occurs in sending cable messages from local post offices to London, the Atlantic Cable Companies have offices in the various large towns of the United Kingdom. They have special telegraph lines leading to London or to their stations on the Irish coast. The Secretary of the Pacific Cable Board estimates that for the Board to establish such local offices would detail an expenditure of 23,000*l.* a year. I may say that it is apparent that if a cable message is handed in to a telegraph office, say in Wales, and it has to remain there until the ordinary business is got through, it may be that two hours elapses before that cable reaches London, or some considerable time, and it seemes it would be a fair proposition that if anything were done in this connection, as the British Post Office is a partner in the scheme, the post office should be used as a transmitting station and that cable messages put into post offices should be given priority over other messages transmitted to the central station.

The PRESIDENT: Are we to understand that the estimates you are giving us are estimates made by the Pacific Cable Board?

Mr. PEARCE: By their officials.

Sir JOSEPH WARD: What was the estimated cost?

Mr. PEARCE: The estimated additional cost if the Post Office would not do this would be 23,000*l.* a year.

Mr. SAMUEL: The estimated cost of the cable itself?

Mr. PEARCE: I am coming to that. Apart from the question of wayleave through Canada and local offices in Great Britain and Ireland, the following are estimates of the capital cost and working expenses of the proposed cable and telegraph line. This is based on the experience of the Pacific Cable Board, and also on the experience of the General Superintendent of the Canadian Telegraph Office, Mr. Keeley. The estimate is of 480,000*l.* for a line from Killala to Newfoundland with a connection to Nova Scotia, and it is by a very eminent firm of cable construction engineers, who would be willing to carry out the work. The estimate of 120,000*l.* for a land line acrosss Canada is based upon information supplied by Mr. Keeley, the General Superintendent referred to. So that we have the cost of cable from Killala (Donegal) to Trinity Bay, Newfoundland, with connection from Trinity Bay to Sydney, Nova Scotia, where the land line would begin, including cost of equipment, 480,000*l.* Cost of telegraph line across Canada, Sydney, Nova Scotia, to Bamfield, with equipment, 120,000*l.* Total capital cost, 600,000*l.* The expense of working and maintenance of the submarine cable may be set down at 21,500*l.* and of the land line 32,500*l.*, or, together, 54,000*l.* The working expenses are itemised as follows:—Working cable, 18,000*l.*; maintenance of cable—contract

with cable-laying company, 3,500*l.* Total, 21,500*l.* Working land line through traffic, 10,000*l.*; maintenance land line, 14,000*l.*; rent of offices and cost of testing stations, 3,500*l.* Total, 27,500*l.* Renewal of land line in 15 to 20 years (sinking fund), 5,000*l.* Total, 54,000*l.* Against this may be set the present expenses which would no longer be incurred, amounting to 22,000*l.*

Mr. SAMUEL: Do you include interest and sinking fund in the cost of cable?

Mr. PEARCE: No, interest and sinking fund are not included in that list I have given. I will come to those later. Against this may be set the present expenses which would no longer be incurred, amounting to 22,000*l.*, so that the net added expense of the new scheme would be only 32,000*l.* The expense which would be done away with if the Board owned its own cable would be rent paid to the Canadian Pacific Railway for the lease of their land lines, 11,300*l.* Present working costs of that line, 7,000*l.* Payments to companies for carrying messages from the Atlantic coast to Montreal, 3,700*l.*; total, 22,000*l.* The Board would, however, at once come into the revenues now received by the Cable Companies for carrying the Australian and New Zealand messages across the Atlantic. The amount receivable on such score is estimated at 36,000*l.* At the present time the Pacific Cable Board pays to the Atlantic Cable Companies the sum of 38,000*l.* a year in respect of Australian messages. From this sum would have to be deducted 2,000*l.*, which the Companies pay the British Post Office for inland charges, leaving the net revenue 36,000*l.* Having an Atlantic cable of its own, the Board would naturally control all its homeward messages, in respect of which it now pays the Atlantic Companies 21,300*l.*, so that this sum would accrue to the Board as new revenue. The payments to these Companies for outward messages amount to 16,700*l.* a year. The Secretary of the Pacific Cable Board estimatets that one-third of this sum, namely, 5,570*l.*, would be obtained by the Board, and the balance, 11,130*l.*, would still go to the Companies. But I submit, Mr. Asquith, that it is fair to reject this estimate, and to assume that the whole of this revenue would go to the Board, because in a competition between the Board and the Atlantic Companies for its own business the Board must in the end prevail, especially as it would have the support of the British Post Office. As the additional expenditure would be only 32,000*l.*, there would be a surplus of revenue to the extent of 4,000*l.* It will have been observed that no mention has been made of interest and replacement of capital, nor of a fund for accidents, repairs, and renewals. A provision for the renewal of the land line within 15 or 20 years is in the estimate, and it is considered that ample provision is already being made for repairs, renewals and accidents to the submarine cable of the Board. The Board has a reserve fund of nearly 260,000*l.*, which is being added to at the rate of 37,000*l.* a year (30,000*l.* from earnings and 7,000*l.* from interest). Taking into consideration that the cable is and would be backed by the Governments of the United Kingdom, Canada, Australia, and New Zealand, the provision for contingencies is ample, and the reserve fund of the Pacific Cable Board at the present time is 260,000*l.* and is being added to at the rate of 37,000*l.* a year. This is not a provision required by law, but it was established at the beginning of the Board's career, doubtless for the purpose of speedily building up a large contingent fund. As the original cost of the cable is being paid off by instalments, this provision for depreciation and contingencies would be amply sufficient, even if the line were extended to England. As regards interest on capital and provision for replacement, there is at present an annuity payment of 77,545*l.* a year made by the Pacific Cable Board in respect of the existing cable. The money for the construction of the cable was originally advanced by the Public Debt Commissioners on terminable annuities. It is assumed that the remaining capital of 600,000*l.* would be advanced by the Imperial Government on the same terms, but

it is immaterial, for the sake of discussion, whether such be assumed or not, as the 600,000*l.* required would not be a great contribution from the four partner-Governments. According to the present division of the responsibility 200,000*l.* of this sum would fall upon Australia, 166,667*l.* upon the Imperial Government, 166,667*l.* upon Canada, and 66,666*l.* upon New Zealand. These amounts could be advanced on loan repayable by terminable annuities or granted absolutely to the new enterprise. This annuity which I have referred to as paid to the Loan Authorities is payable until 1952, and if it were increased to 95,000*l.*, and the currency extended to 1962, the whole debt would disappear. The payment of such an annuity would involve a further expenditure of 17,500*l.*, and as the expected surplus on the working of the new system would be 4,000*l.* there would be a slight yearly deficit of 13,500*l.* This sum would be payable by the four partner-governments and would doubtless disappear if the facilities of the service were appreciated in Canada. The Board's lines of communication would pass through several of the more important cities of Canada, and it is anticipated that if the Dominion Government were to favour the scheme an extensive cable business might be done between those cities and the United Kingdom, especially as the new system would be in a position to carry messages at 6d. per word. In the discussion of this question it has not been assumed that the new system would enter into competition with the existing lines for Canadian business; nevertheless the Canadian Government might obtain some compensation for the sacrifices which it has made on behalf of the Pacific Cable, and the small returns it has received from that enterprise. If a cable were laid by the partner-governments across the Atlantic and a land line through Canada to the Pacific messages might be accepted for transmission to the larger towns through which the land line would pass. The existing rate to Montreal, for example, is 1*s.* a word. There is no doubt the proposed new service would carry messages at 6*d.* a word without loss. It is not suggested that the Cable Board should enter upon general business in Canada, but that it should undertake to deliver messages in any of the large cities through which its line passes. If 200 ordinary messages of 10 words each were received daily they would, after allowing for operating expenses, bring in a revenue of 13,500*l.* a year, and make the scheme self-supporting. It may therefore be concluded that, with the concession by the United Kingdom of priority of cable over ordinary messages and the grant of wayleave by Canada, the scheme of an 'all-red' route of telegraphic communication through Canada joining the United Kingdom with Australia and New Zealand is feasible and not likely to entail any special financial assistance from the partner-governments. I had proposed to give some examples of the difficulties which our people have been confronted with in dealing with the Atlantic Cable Companies; but in view of the statement made by Mr. Samuel this morning, they would not, of course, apply to the future, and therefore we should be only dealing with records of the past, and I do not propose to enter into them: It is sufficient to say this: Whenever business people have attempted to improve the present service they have always met an impassable wall in the private cable companies in the Atlantic. Whether by one method or another they have found it absolutely impossible to get any concession from them and absolutely impossible to move them in any way. As I say, I do not propose to give those examples, although I have the correspondence here, and if Mr. Samuel would like to see it, I will let him have a copy of it so that he may be armed with it. Generally speaking, we do feel in Australia that the history of the Pacific Cable has taught us that the only effective means of dealing with this question is to extend that principle right through to the Motherland, and therefore we bring forward this proposition: "That this Conference strongly recommends the nationalisation of the Atlantic cable in order to cheapen and render more effective telegraphic communication between Great Britain, Canada, Australia and New Zealand by thus acquiring complete control of all the telegraphic and cable lines along the 'all-red route.'"

Sir WILFRID LAURIER: After the explanation which we have had from Mr. Samuel, the Postmaster-General, on a previous motion, which we have just discussed and adopted, I, for my part, reserve my judgment upon this resolution. It may be we may have to come to that in the end, but at the present time my feeling is—so far as the Government I represent is concerned—that we would prefer to see the result of the negotiations and legislation entered into by Mr. Samuel before we commit ourselves to the purchase of the existing telegraph lines.

Sir JOSEPH WARD: I would like to say that the very important statement made by Mr. Samuel does alter the position to this extent. It has gone in the direction of lowering the rates, which can only be finally put upon a satisfactory basis, in my opinion, by Great Britain and the overseas Dominions owning the cables from the Old Country to the various outlying portions of it. I want to make it quite clear, as far as I am concerned, that I believe that the right course to follow is to nationalise the cables, and I should not like the fact of my regarding the statement made by Mr. Samuels as being very satisfactory and the acceptance of it—and rightly so—by this Conference as in any way causing an impression to exist that the final alternative should not be the acquisition of the various cables; because I believe, in the interests of the Old Country, and of the outlying portions of it, it is far and away the strongest course to adopt. At the same time, I think I should be wanting on my part if I were not to say how highly I appreciate what has already been suggested by Mr. Samuel on the part of the British Government, which I think is a step forward of a very important character indeed. But I want very briefly just to say what I desire to put on record with regard to this Atlantic cable proposal. This extract from the report, dated 26th January 1906, from Sir Sandford Fleming to the Secretary of State for the Colonies historically puts the position in a way that meets my ideas, and I would like to repeat it. He says: "More than a hundred and thirty years ago the great and gifted Irishman, Edmund Burke, and the illustrious U.E. loyalist, Joseph Galloway, on opposite sides of the ocean, each had visions of a mighty Empire: more than fifty years ago its organisation was a dream of the great Canadian, Joseph Howe. Since then it has been the dream of other great men of various races, in various British communities, and in yearly increasing numbers. For a generation back Imperial Federation Leagues, British Empire Leagues, and other associations have been formed with the avowed purpose of converting the dream into a reality. The goal has not been reached; but if the desired results have not followed, these several agencies have done much to awaken the spirit of union which now to so large an extent prevails."

I want to say that this question of cable communication is, in my opinion, of far greater importance from the point of view of the union of the Empire than the mere advantage of obtaining concessions across the cables, though they are most important from the standpoint of bringing the people closer together; and I believe, if it were possible for us to arrive at a decision that we were prepared to take over the private cables and pay their market value to the owners it would be one of the finest things for the Empire that has ever been done, and between the Old Country and the Oversea Countries the cost of the cables, with their earning power recognised, which would be a good commercial transaction to commence with, would do no injury to the shareholders of those private companies, and would be following a policy which the British Government here adopted long ago of owning the means of communication by telegraph, and which most of the Oversea Countries have also adopted. My opinion is, that the best means by which the business and the news of the world could be conducted between the Oversea Countries and the Motherland itself, and the right thing for the Old Country and the Oversea Countries to adopt would be to own the cables. Take this question in connection with the important resolution which Mr. Pearce is moving, as to communication right through to the countries in the Southern Seas. My friend Sir Wilfrid Laurier knows that in Canada an

arrangement has been made with the Canadian Pacific Railway Company for the use of telegraph lines across Canada, which is, as far as it goes, of a much more satisfactory character than existed prior to that arrangement being made. The position Australia occupies, and New Zealand occupies, with regard to its telegraph lines, can hardly be said to be analogous to the position of the overland line across the territory of Canada. If Canada owned that telegraph line itself, then, on all fours, they would be in the same position as we are as users of the cables and the lines from the Old Country to the overseas portions of it, instead of having a part that is privately owned—because, after all, the Canadian Pacific Company, enormously important as it is, is a public company privately owned by private individuals. If the Canadian Government owned that length of line, they would be in the same position in Canada as the people of Australia and New Zealand are. We undertake the receipt and delivery of any messages *en route* along our lines in Australia as a Government matter, and, judging by the information placed before me, in a rather more advantageous way than can be done over a private-owned system of telegraph lines. I am not suggesting for a moment there may not be extraordinary difficulties in the way of that becoming part of a state-owned system, and I think in the meantime it is satisfactory to have had that arrangement which has been brought about through the good offices of Sir Wilfrid Laurier, and to that extent it is a move forward, and in the right direction. But the fact of our not owning that particular portion of land line does not to my mind justify our not urging with all the force that we can the laying down of a cable across the Atlantic. I am not going to allude, in the course of the remarks I am making, to anything that may be regarded as private, so I will not refer to any companies specially as to what the proposals between this country and America or Canada may be. But what I would like to know is, who owns the cables across the Atlantic ? Are they owned by British companies, or are they owned by companies outside Britain ? If they are owned by British companies, then it ought to be possible, if they are not willing to sell at the value of their cables in the market to-day, for us to agree to say we would be prepared to purchase them at a price upon the lines I indicate; or, if they are not agreeable to sell to us, as an alternative to put down our own cable. The estimated cost referred to by Mr. Pearce, of 600,000*l*., includes the land line. I leave that out, because at present we have an agreement with the Canadian Pacific Railway, and until that expires we need not trouble ourselves about the estimated cost of 120,000*l*. for a land line. My opinion is it would cost more for the over-land line, but that is neither here nor there; supposing it cost 500,000*l*. to lay a cable across the Atlantic between the different countries, after all, the financial side of it is, to my mind a very satisfactory one. Our proportion of contribution towards the creating of the finance, the providing of a sinking fund and all the expenses upon that basis, turned into the position of a subsidy, would be a very small one indeed; but we would immediately control the whole of the rates across the Atlantic, and it would prevent the possibility of those Atlantic cables coming under the control of combines either inside or outside the Motherland. I am talking of cables owned in the Empire between the old land and the oversea countries. When we come to cables owned outside our own country, as I believe all the Atlantic cables are, it is even worse. I think under those circumstances we ought by affirmation at this Conference to suggest the desirability of a State-owned link between Great Britain and the continent of America being provided for.

I find here, from a reference to a compilation by Mr. J. Henniker Heaton not so very long ago, that the present capital at par value of the cable companies of Great Britain amounts to 27,982,000*l*., and that the annual receipts of the cable companies, including subsidies, amount to 3,163,000*l*. It looks to me, from the standpoint of a great and important business proposition, that, if we were prepared to go into the question of nationalising these cables, from the statement of the value of the cables and the earnings of them, including subsidies, it is not by any

means a bad position from the standpoint of a great commercial undertaking providing important financial results upon the right side, and also from the standpoint—which I believe to be of tremendous importance—of Great Britain and the Oversea Dominions owning these important cables. Here I want to quote another extract from the same report which, as far as I am concerned, meets my view in a very great way, and I propose to put it on record, because I believe it is—although we may not be able to do it at this Conference—what we ought to work for. The more it is put off, the more it will cost the component parts of the Empire in the future to do what they could do to-day at a comparatively small cost compared with what it would be, say, even 10 years from now. Mr. Henniker Heaton says:—

"(1) It is advisable at all costs to put an immediate end to all cable monopolies, and to acquire and extend the existing network of them for the use of the public.

"(2) When the service is in the hands of the State, it should be conducted at rates sufficient to pay working expenses, with interest and sinking fund on capital required for purchase, and to provide new plant when necessary." The next part I do not subscribe to, because I think a profit should be made, though not a large profit, upon the undertaking. "All surplus money should be applied to the provision of additional cables." I agree with that.

"(3) If possible, there should be a uniform rate (of one penny per word or less) over the whole extent of the Empire. If this is objected to at first, a beginning should be made by adopting the 'zone' system.

"(4) The capital required should be subscribed by the Home and Colonial Governments, and they should own and administer the cable network jointly. The Home Government should invite the Colonial Cabinets to nominate delegates to an Imperial Cable Conference, to be held in London." The other paragraph I will quote is: "It is contrary to public policy to leave a monopoly of communication between the several portions of the Empire in the hands of speculators." To a very large extent that puts on record the view that I hold. The system of owning cables privately at their early inception many years ago, I think no exception could be taken to, although the principal of State-owned cables existed then just as it exists to-day, as being a better one in the general interests of the community likely to be affected.

I want to say that while I personally regard the advance in connection with the telegraph world which has been stated by Mr. Samuel as of very great importance indeed, I should also like to be permitted to say that I look upon the other reforms (about which I have read with special interest since I have been in England) which Mr. Samuel has made in connection with the Department over which he so ably presides as very fine indeed, and calculated to do an immense amount of good, and I take the liberty, sitting at this Conference, of congratulating him very heartily upon them.

The proposals made by Mr. Samuel in connection with reforms I may allude to here, because I think it comes in its proper order. The establishment of a new tariff at half rates for messages in plain language I look upon as a very great advance indeed, taken in conjunction with what was decided at the Telegraph Convention—to which Mr. Samuel referred—namely, allowing code words to be used for mercantile purposes; of course, private individuals would not, speaking generally, use codes at all. I also, in connection with the proposal to nationalise an Atlantic cable service, attach full importance to this matter, and I think it will do an immense amount of good to say definitely we will do so if the rates are not greatly reduced. The proposal of the Pacific Cable Board for the duplication of the cable across the Pacific I regard as of extreme importance, and it was referred to by Mr. Pearce very clearly. As to the stoppage of that proposal by any want of co-operation on the part of the Imperial authorities at this end, I think it would be very regrettable to us if we were to be deterred—which I feel sure by the expression of opinion which has fallen from the mouth of the Prime Minister of His Majesty's Government will not be the case—from

completing a great work of that kind upon the supposition that some invention in connection with wireless telegraphy, or some other means of communication, was going to come into operation. If we applied that principle to all other national works in which we were engaged we would not advance at all. In New Zealand we ought to stop making State railways upon the theory that aviation machines are coming along and may wipe out the whole of our railway passenger traffic; but we are not to be deterred by any suggestion of that kind. I regard all the matters Mr. Samuel has referred to as of very great importance indeed, but after all there is nothing, in my opinion, that would do so much good for the British Empire as the State-owning of all these cables. It would bring South Africa, by a great cheapening of rates, probably half as close again to England as it is to-day; it would bring New Zealand half as close to England as it is to-day; and certainly bring Canada very much closer to England than it is to-day—I mean, of course, figuratively speaking. In my judgment —and I have gone into the thing myself, but I do not want to weary the Conference by details—if the Old World and the New World owned these cables we could put a penny a word system in operation before we knew where we were, and it would result profitably to all portions of the Empire by filling these cables and utilising them day and night, and I have no hesitation in saying that in my opinion this will come about; but the whole trouble is to make a start, and I would look upon it myself with intense satisfaction, if, having already, with the exception of South Africa, given effect to a State-owned cable system across the Pacific, we were, by way of a commencement and as a matter of business, to say we are going to complete that State-owned system by a cable across the Atlantic. If an Atlantic cable is not to be owned by the respective Governments owning the Pacific cable it would be looked upon, outside the respective countries and Governments owning the Pacific cable, as a very left-handed position which exists, unless we complete the Atlantic end of it, because the Atlantic end is controlling the whole of the rates across the Pacific to and from the Motherland and the Southern Seas. When we have spent some two million pounds sterling in round figures upon the Pacific cable and have a proposition put before us that for another £500,00 we could lay down an Atlantic cable and complete the natural connection across that route to the Old Country, looking upon it as a business matter in the general interests of the people of our respective countries it has everything, in my opinion, to commend it.

The question of wireless telegraphy was referred to by Mr. Samuel. I think, and probably the majority of the members of this Conference agree, that nothing is going to stop wireless telegraph stations from practically going round the British world. We shall have wireless stations throughout the Pacific. We are getting them now. We shall all have wireless stations to other parts of the British Empire. While it is only right that we should conform to our undertaking made with the Pacific Cable Board to do all in our power to give that particular line they control the commercial business of the respective countries, I do not believe even the Pacific Cable Board will be so retrogressive as to suggest that we should not establish wireless stations in the Pacific Islands for commercial purposes. If the wireless system goes along the route of the Pacific Cable itself I think the proper thing for those controllilng the wireless stations to do is to see that those wireless messages are received and transmitted at the charges the Pacific Cable Board is entitled to across their main line; but to keep all these islands in the Pacific where a good deal of trading is going on outside the area of the commercial world on the ground that you were going to injure the Pacific Cable line would be expecting us to go too far. I think between New Zealand and Australia, where we are establishing wireless stations, we are in duty bound to see all the commercial business and the Government business comes across the Pacific cable and that it gets the full benefit of it. But I think it would be a very unhappy position of affairs if we were to go from here on the supposition that the wireless stations established in the Pacific were not to be used for general commercial

purposes on the assumption that it would interfere detrimentally with the Pacific Cable Board. There are places where we should loyally stand by them and see they get the whole of the business even if wireless stations are established. But irrespective of wireless stations being established—and they ought to be and no doubt will be owned by the respective Governments—I, personally, strongly advocate the Resolution moved by Mr. Pearce. I think we ought to have an Atlantic cable. It would take some time to do it, and I believe myself that the putting down of an Atlantic cable would not derogate in the slightest from the splendid advance Mr. Samuel has made in the other directions, so for my part I heartily support the Resolution.

Dr. FINDLAY: I should like to say a word or two supplemental to what Sir Joseph Ward has said, for the purpose of impressing the observations made by Mr. Fisher. I venture the opinion that the cable service presents an essentially different point of view to people living at our end of the world and to people living here. Our information of what is happening in the seat and centre of the Empire, and what is being done affecting and controlling us comes through the cable. You see nothing of us by cable; no man requires to spend very much time in reading the cable news from Australia or New Zealand in your daily papers here. On the other hand, every morning we rely upon our paper to tell us what has taken place in the heart and centre of the Empire, so the cable appeals to us as a national institution much more than it apppeals to people in this country, and we deem it vital and important, not only to our commercial interests but to our national interests. I would stress the observation made by Mr. Fisher, that we think this is too large a matter to be treated purely on a commercial basis—that it has a national aspect which transcends any question of commercial profit. It is one of those great public utilities out of which it is not advisable that private profit should be made. Whether it can be achived now or achieved later, I feel sure that the feeling in Australia and New Zealand, and I believe in South Africa, is strongly in the direction of nationalising means of communication such as a cable service. The point may want stressing because I take it that the policy point of view is different here to what it is with us. In this country the matter is viewed largely, I understand, from the point of view of commercial profit. We, increasingly, in New Zealand and Australia, look upon it more from a national point of view, and recognise that the cheapening of cable rates is essential to promote immediately and permanently Imperial unity. I simply repeat that we are much more dependent from any point of view of national importance upon our cables than you are, and consequently I agree with Mr. Pearce that we are anxious to have these means of communication nationalised so that they may be secured more fully to these oversea nations. I may add that I think we are indebted to Mr. Pearce for a definite and clear proposition which is well elucidated by figures, and seems to me to be in every way worthy of consideration.

Sir D. DE VILLIERS GRAAFF: The first part of this Resolution has for its object the cheapening, so as to render more effective, of cable communication. It appears to me that again Mr. Samuel has anticipated our desire in this connection, for he has foreshadowed a board of control as to rates, and that, to my mind, is a great step in the right direction. Some of these licenses for the landing of cables I understand fall in this year and next year, and at any rate within the next ten years all the licenses will have fallen in, so that new arrangements could be made for the control of the rates, so that that part of the motion will be met without the State owning the cables. We in South Africa also grant licenses for the landing of cables, and we make certain conditions in the event of a war as to what is to happen. If all the licenses did not contain satisfactory clauses as to the position of the cables, or as to taking control during the time of war, it would not be a difficult matter to arrange for that, as the licenses fall in from time to time, and new licenses have to be granted. Nationalisation of the cables may be necessary and may be desirable,

but the question is whether this is the right time in view of wrieless telegraphy I do not pretend to know so much about wireless telegraphy as Sir Joseph Ward, but it has certainly made great progress of late. We have established quite recently two installations, one is nearly completed now, and we have spoken 1,500 miles quite recently, and we hope that before long, when our installations are completed, and the ships trading between the Motherland and South Africa have their installations—one line at any rate has already installed it upon its ships—to be in a position to communicate with the Mother Country by wireless telegraphy whenever we think proper by passing it on from one ship to another. The chances are that there will be a biggish development in that direction, so I do not think that this is the right time to spend millions of money in buying up cables or laying submarine cables. I think the objection as to the rates will be met by the establishment of the Board of Control, and I think as to control in time of war the licenses can contain clauses to that effect, and at any rate I should think it would be wise to hesite a little and see what wirless telegraphy is going to do for us, before the Governments embark upon the owning of the cables as a State undertaking.

Sir JOSEPH WARD: This is only a proposal as to establishing an Atlantic cable.

Sir D. DE VILLIERS GRAAFF: But I suppose the wireless system would control the Atlantic as well as our route?

Sir JOSEPH WARD: Yes.

Sir .D DE VILLIERS GRAAFF: Therefore, what would apply to South Africa would apply to the Atlantic also, in so far as wireless telegraphy is concerned, so that as far as we are concerned we counsel you to hesitate before it is gone into.

Sir JOSEPH WARD: You must remember that South Africa is not asked to contribute anything towards this proposal.

Sir D. DE VILLIERS GRAAFF: No; I say it may be desirable to have nationalisation of cables; but the question is whether this is just the right time to go in for it in view of the development of wireless telegraphy. I see we have a motion coming on later in connection with wireless telegraphy. I have nothing more to say upon this motion.

Sir E. MORRIS: I should like to say that to a certain extent I agree with what has been said, that the hope held out of the Postmaster-General as regards the Board of Control as to rates promises very largely to lessen the objections to the present private-owned cables, and removes some of the strong reasons in favour of nationalisation. But I should favour the four resolutions which I take it we are now discussing if they can be accomplished, and if they can be brought about. I agree with the principle that this is a matter which cannot be looked at entirely from a purely commercial standpoint, but there is the question of the development of the Empire which must flow from extension of cables and wireless and land-lines, and also it might be very important in the event of war that we should have control of these cables. Sir Joseph Ward asked the question as to who at present owns the Atlantic cables. I know that nine Atlantic cables pass over Newfoundland to-day. They are owned by the Western Union, by the Anglo-American, and by the Direct Cable Companies. Five of those are British cables, and I understand they are going to pass into the hands of and become the property of companies in the United States—the whole of them. From the standpoint of prestige, just as we gain considerable prestige by being the largest shipowners in the world, and for many other reasons, it is important and valuable to be able to say that we control the cables, or at least that we have not gone out of the cable business. The Anglo-American Company, owning these five cables,

were the pioneer Atlantic cable company, and they do their work under charter from the Imperial Government, and, as a matter of fact, there was a clause in their charter giving the right of pre-emption to the British Government. Whether that exists now or not I do not know—I am only speaking from memory—but I think there was at time limit, and they had to be purchased out within a certain period. It might yet be important before the negotiations are closed—perhaps it is being attended to at present—that that matter should be taken up. Of course there are cases, and it is easy to conceive of many cases, where it would not be well for the Government to own the cables. First, it destroys efficiency very often, because the fact of the various companies competing causes them to give low rates and produces efficiency; and, secondly, in cases where it would be a very large loss to the State it might not be well to consider it. But in this case, as regards the Atlantic cables, I think it is very fair and safe to assume that the Western Union Cable Company would not be purchasing the Anglo-American and buying their five cables unless there was money in it at present, or unless they saw some way of making money by removing the present competition. Now, if there is money in it for the Western Union there ought to be money in it for the Government to acquire and own those cables. Of course it is a matter that ought to be inquired into very carefully. As to the first resolution proposed by Sir Joseph Ward, as regards everything possible being done as to the rates, we know now that to a very large extent that is being done, and as regards the other four resolutions we may learn that something has been done in this respect, and possibly our views may be accomplished. Personally, if it can be done, I should rather favour the nationalisation of these various utilities within reasonable amounts.

Mr. SAMUEL: These resolutions invite the Governments which are participating in the Pacific Cable Board to incur an expenditure, apart from the Canadian land line, of about 530,000*l.* for the cable alone, 470,000*l.* for the line from the United Kingdom to Newfoundland, and about 62,000*l.* to connect with Canada. I should like to mention to the Conference some considerations in this connection which appear to me to be relevant. In the first place, the load which may be given by the Pacific Cable traffic to an Atlantic cable would be, it is estimated, about 1,000,000 words a year at the present time. The average traffic carried by the Atlantic cables per cable is about 2½ million words at the present time. The capacity of a cable is from 5 million to 5½ million words, so that the present traffic that could be given to this cable, if it had all the Pacific Cable Board's work, would be less than one half the amount that is carried now by the Atlantic cables on the average, and rather less than one fifth of what a cable is capable of carrying in the course of a year. The question therefore arises whether the deficiency can be made up by other business or by an increase of business, so that the heavy loss which would accrue in working a cable with less than half the business the other cables work with, can be made good. Of course, if the business is increased by a large reduction of rates, then, while you will be filling up your cable during the day, on the other hand you will not be increasing your revenue, and consequently from a revenue point of view the advantage will be small. If, on the other hand, it were possible to fill up with general commercial and other business between Canada and the United States and this country, in other words, to compete with the other cable companies, then, perhaps, the loss might possibly be wholly or partially made good. But I want to point out that so far as regards the traffic from Canada and the United States to this country there would be very little possibility of attracting any business to a State-owned Atlantic cable, because, as the Conference is aware, all the land telegraph lines in those countries are in the hands of private companies which are closely connected with cable companies, and, of course, they would not transmit ordinary business to a competing State-owned cable as against the interests of the cables which they themselves own, or with which they are closely allied. So far as business from the United Kingdom to Canada and

the United States is concerned, Mr. Pearce suggested that possibly the British Post Office might give preference to cablegrams handed in at our Post Offices for transmission over our Government land lines if they were to be sent by the new proposed State-owned cable. I would point out, however, that our statutes debar us from giving a preference of that kind, and though, of course, legislation might be possible, I should not be able to guarantee that the House of Commons would be willing to enact legislation of that character. Further, there is this consideration, a very important one, which has to be borne in mind, that from the date when the private telegraph lines in the United Kingdom were purchased by the State, that is to say, 1870, there has been an agreement between the Post Office and the Anglo-American Company that all telegrams handed in for transmission across the Atlantic at any British Post Office, unless the sender specifies some other route, must be sent by the Anglo-American cables.

Sir JOSEPH WARD: Does that agreement apply to messages sent beyond the United States to America?

Mr. SAMUEL: I understand it is only to North America, but that consideration applies to the point I am now discussing, namely, whether it would be possible for us to obtain sufficient business, between the United Kingdom on the one hand and Canada and the United States on the other, to fill up a cable and keep it busy in order to avoid loss. That agreement would be an important factor in preventing our doing that.

Sir E. MORRIS: On that point, and also as regards the other point with respect to the land-lines of the United States and Canada, controlling the route of the message by the cable, there would not be any object in a State-owned cable unless the rates were to be lowered.

Mr. SAMUEL: No.

Sir E. MORRIS: Now, if the rates were lowered, would not everyone have their cables sent that way?

Mr. SAMUEL: Not if the competing companies lowered their rates too.

Sir JOSPH WARD: That is part of what we want.

Sir E. MORRIS: But you would keep on lowering. Everyone would keep on having their messages sent over the lower-rated line, and that would get over the Anglo-American agreement as well, because everyone would direct the Anglo-American to send them by another line.

Mr. SAMUEL: That raises very important financial considerations, and the question is whether it would be advisable for the Government to enter into competition with the present Atlantic companies in order to get sufficient traffic to fill up the new State-owned cable, and if they did so, whether they would succeed in obtaining sufficient traffic. Of course it may be said that the effect may be that they would not get traffic themselves, but that other companies would lower their charges. That is a different consideration, a very important one, but a somewhat different one. But the point I am on is whether we can add to the 1,000,000 words, which is all we would be able to obtain from the Pacific Cable Board, another 1,000,000 or 2,000,000 words to make up a sufficient load, and I very much question whether that would be possible, for the reasons I have given.

Mr. PEARCE: You contend that the cable is not payable unless it is fully loaded.

Mr. SAMUEL: The present Atlantic cables, of course, do pay, and pay quite well, although they only carry half the load of their capacity. But the present load that the Pacific Cable Board would give would be only one fifth.

Mr. PEARCE: Do you say it would not pay without more than that?

Mr. SAMUEL: I will come to the estimate of the probable financial position of such a cable. The estimates which were given by Mr. Pearce ignore wholly the payment of interest and sinking fund, so I understand.

Mr. PEARCE: No, I come to that later.

Mr. SAMUEL: But you said you were justified in omitting any charge for interest and sinking fund on the ground that from the Pacific side there was a sufficient revenue, with the present reserve fund at any rate, to make good that.

Mr. PEARCE: No; I was referring then to the fund which has been established by the Pacific Cable Board for maintenance, and I pointed out that the fund they have there is of such a volume that it would be sufficient, spread over the whole line, to maintain it, and therefore we did not need, on this new proposition, to make any further provision for that.

Mr. SAMUEL: That is precisely what I understood.

Mr. PEARCE: I thought you said I had not dealt with it.

Mr. SAMUEL: So far as sinking fund is concerned it is suggested that we need not take that into account in regard to this proposition, because the Pacific side of the business is already on such a financial basis that it could take in its stride, so to speak, the provision of a sinking fund on the Atlantic side. I doubt really whether that is a satisfactory view to take if we are looking at it simply from a commercial or business aspect. If the provision for sinking fund and depreciation on the Pacific side is excessive, then possibly the Pacific Cable Board ought to revise its present finance.

Sir WILFRID LAURIER (to Mr. PEARCE): If there is a fund of that character is not it maintained now by the contributions of the Governments? Do not we pay a deficit every year?

Mr. PEARCE: It is maintained by the contributing Governments.

Mr. SAMUEL: There is a deficit of about 60,000*l.* a year

Mr. PEARCE: There is 37,000*l.* a year put into that fund.

Sir WILFRID LAURIER: Then it is easy to see how there is that fund. It is created at the expense of the Governments. It is not paid out of the profits of the business.

Mr. PEARCE: The Governments have to make up the loss on the cable, and that goes down for the loss on the cable.

Mr. SAMUEL: I understand that loss includes an amount which, it is suggested, is really excessive debited to the Pacific Cable for depreciation. If that is really excessive that is a factor which must be reviewed in itself and must be considered separately. The Pacific Cable Board, which contains many very able representatives of the various Governments, consider that the amount which they put by is the amount which is needed in respect of the Pacific Cable, and I suggest if it is now proposed to lay down an Atlantic cable, that must be considered on its own financial merits, and you must provide in your estimates for a sinking fund against the capital expenditure that is involved, apart altogether from the present finances of the Pacific Cable Board.

Sir JOSEPH WARD: That is so. There is no doubt of that.

Mr. PEARCE: But it need not necessarily be on the same basis, as it has proved to be excessive in the case of the Pacific Cable Board.

Sir JOSEPH WARD: I agree with Mr. Pearce that the amount provided for the Pacific Board is very heavy, if not excessive, but the financial part of the Atlantic section should be kept entirely distinct and worked from a standpoint of a separate financial undertaking.

Mr. PEARCE: My only contention on this point was that that sum of 37,000*l.*, on the experience of the Pacific Cable Board, would be a sufficient sum, divided if you like into two parts, for the two cables.

Mr. SAMUEL: The experience of the Pacific Cable Board has been very short, and from the point of view of interruption they have been exceedingly fortunate. There has been only one interruption, and that was within easy reach of the coast of New Zealand, and it was easily repaired; but we have to consider a long series of years, and this reserve fund put by is mainly in order to cover the cost of expensive repairs that many at any time be necessary in the course of the life of the cable. However, I think it is generally agreed that we must keep the financial aspect of these things separate from the existing accounts of the Pacific Cable Board. There has recently been sitting a sub-committee of the Pacific Cable Board entering into the finance of the scheme, and I would remind Mr. Pearce of the estimate made by that sub-committee, which I may say the experts of the Post Office consider somewhat sanguine; they would have made the figures somewhat less favourable even than those suggested by the committee of the Pacific Cable Board. This relates to the Atlantic cable alone, apart from any question of land lines in Canada. The estimated receipts are about 25,000*l.* a year.

Sir JOSEPH WARD: How many words is that based on passing over the cable? Personally, I do not agree with the estimate of 1,000,000 words at all. On the information I have, I think it is altogether too low.

Mr. SAMUEL: I cannot give it at the moment. This is the estimate on the existing conditions. That, of course, may be increased, but on the other hand, if you reduce rates, it is a question whether the increased number of words more than counterbalances the loss on reduced rates. They estimate 25,000*l.* of receipts; operating staff and repairs 21,600*l.*, interest and sinking fund on the basis of 4 per cent. per annum, and renewal fund, on the basis of 1½ per cent. on a capital outlay of 530,000*l.*, would require a further sum of 29,000*l.*, and there would be a total expenditure of 50,600*l.* against an estimated receipt of 25,000*l.* In other words, the receipts would amount to about 50 per cent. of the expenditure. If those estimates are at all reliable—and, as I say, the Post Office would put the figures of cost somewhat higher than the committee of the Pacific Cable Board have done—the question is: What reasons can be adduced for asking the contributing Governments to add to the present loss of the Pacific Cable Board of 60,000*l.* a further sum of possibly 25,000*l.*?

Mr. PEARCE: Do you quote those figures as having been adopted by the Pacific Cable Company?

Mr. SAMUEL: No, by the committee.

Mr. PEARCE: Figures that have been adopted by the committee?

Mr. SAMUEL: I understand so.

Mr. PEARCE: I am informed not, and that this is a draft report not yet adopted by the committee of the Board.

Mr. SAMUEL: I understood the committee had submitted this report to the Board, but the Board have not yet considered it. Perhaps I am wrong.

Mr. PEARCE: I am so informed by the Australian representative.

Mr. SAMUEL: As I say, my own Department has examined the estimate and thinks the expenses would be heavier.

The question is, what reasons can be adduced for incurring the loss, if a loss is probable? It cannot be urged that on the ground of efficiency the present service is unsatisfactory, because I think it is agreed on all hands that the work is done by the companies with very great speed and accuracy.

Then the question remains as to whether it is necessary to incur this expenditure, and possible, or, as I think, probable, loss in order to cheapen cable rates. If no steps were taken with that object in view, then possibly a strong case might be made out, or a stronger case at all events than is now made out, for laying a State-owned cable across the Atlantic; but in view of the halving of the rates on deferred owned telegrams, which is now agreed to by the companies, and in view of the fact that we ane now establishing State control over all rates as fast as the land licenses expire, it appears to me that the Governments would not be justfied in putting their hands in their pockets in order to make this large capital expenditure, which is, in our view, very likely to be unremunerative. There is no means I would suggest to Mr. Pearce by which the cable rates between this country and Australia might be reduced, The rate now by the Pacific route is 3s. a word, and it is made up in this way: The rate from any part of England to Montreal is 10d., and that includes the expense from the town in England, wherever it may be, to the cable across the Atlantic, and from the landing place on the other side to Montreal. From Montreal to the Pacific the charge is 2d.; from the Pacific Coast of Canada to Australia the charge is 1s. 7d.; but in Australia itself the charge is 5d.

Mr. PEARCE: Transmitted to any part of Australia.

Mr. SAMUEL: The charge is 5d. as compared with the charge of less than 1d. a word for inland telegrams from any portion of Australia to any other portion. Mr. Pearce tells me the rates vary, but in no case are they more than 1d. a word. If Australia would reduce her charges for handling the Pacific Board's traffic to her ordinary inland rate she would at once reduce the cost of cablegrams between this country and Australia by 4d. a word, which is very nearly equal to the reduction which is contemplated by halving the Atlantic rates. In New Zealand the inland charge is only a penny a word. Of course, New Zealand is a somewhat smaller country, but still there does seem to be a large discrepency between the New Zealand charge of a penny and the Australian charge of 5d. which very largely contributes to swell the present rate of 3s. a word. Possibly Mr. Pearce will give that question his attention with his colleagues on his return.

I cannot pledge His Majesty's Government to support the laying of a State-owned cable across the Atlantic either now or at a future time, still I do not know whether the Conference would be prepared to accept an alternative resolution in the following form: "That, in the event of considerable reductions in the Atlantic cable rates not being effected in the near future, it is desirable that the laying of a State-owned cable between the United Kingdom and Canada be considered by a subsidiary Conference."

Sir WILFRID LAURIER: That is quite acceptable.

Mr. PEARCE: There is one point I should like to ask Mr. Samuel before he concludes, and that is this: What would be the life of the landing licence proposed to be given to the cable companies under the new arrangement?

Mr. SAMUEL: The Imperial Conference of 1907 recommended, on the proposition of Cape Colony, that a maximum of 20 years should be observed. In practice we never give more than 20 years, and we give as much as 20 years only in cases of new cables where it is necessary that the Company should have some security for being able to recoup their capital expenditure. As a rule the renewals are for about 10 years.

Sir JOSEPH WARD: Does Sir Wilfrid Laurier agree with that resolution?

Sir WILFRID LAURIER: Yes.

Mr. SAMUEL: The point is really not one of importance, because at any time the Government can take action, under my proposal, for a reduction of rates where a reduction is desirable and reasonable, and not only at the moment when the landing licences are renewed.

CHAIRMAN (Mr. HARCOURT): May I take it that the Conference will accept this resolution?

Mr. PEARCE: You ask that I should withdraw my resolution and you propose one in substitution.

CHAIRMAN: Or you could move it.

Mr. PEARCE: I prefer that you should move it.

Sir JOSEPH WARD: I want to say a word, if I may be permitted, as to the estimate of the British Post Office of the expenditure required for that Pacific Cable. As the result of close investigation into it, I not only agree with it but I put it at 3,000*l.* higher, so that upon the point of expenditure upon the Atlantic cable your estimate, from your Department, Mr. Samuel, is quite in accord with the independent investigation that I have had made into it, and which has been made by my Department in New Zealand as well.

Mr. SAMUEL: It was the estimate in the draft report, as I understand it, of the committee.

Sir JOSEPH WARD: No, the estimate you gave from your office as against the draft report. What I do want to say is that I cannot understand how the estimate for that cable has been arrived at from this end. In my opinion, excellent in some ways as the estimate is, it is an under-estimate. I cabled out to New Zealand to the head of the Postal and Telegraph Department there to examine into the matter carefully, and I have got back from them, as a result of close investigation —and it has been most carefully done—that their estimate is that the words over that Atlantic cable would be 1,000,000 beyond what the British Post Office estimates, within 12 months after it was in operation. Now, it is my firm conviction that that is the case. If the estimated receipts from that wire are taken upon the basis of 1,000,000, as against 2,000,000, the revenue is about half what it ought to be. In arriving at estimates you have to be on the conservative and careful side. I recognize that fully, and I believe the departmental officers in my Department in New Zealand have been on the careful side. So we have the two departments, one at this end, and one at the other, differing materially. This one is basing its revenue on 1,000,000 words, and at the other end they are estimating that within 12 months it will be 2,000,000 words. Whilst the British Post Office put down the receipts at 25,000*l.*, we put them down at 53,000*l.*, which is about double the amount the British Post Office estimates. I do not want to take up time, but I carry my memory back to attending Postal Conferences in the years 1892 and 1893, and I am bound to say from the point of view of the heads of the departments, and rightly so, as they are

required to be conservative in their estimates, I have not found an estimate which they did not under-estimate most carefully in order to be safe, and in that respect I compliment the British Post Office on this subject.

CHAIRMAN: We understand you withdraw your motion, Sir Joseph?

Sir JOSEPH WARD: I should like to say that the resolution which Mr. Samuel submits meets the position, and we have virtually spoken upon my motion as well I do not propose to go into it further.

CHAIRMAN: May I take it that Mr. Samuel's motion is accepted by the Conference?

[AGREED.]

After a short adjournment.

7. STATE-OWNED TELEGRAPH LINES ACROSS CANADA.

"That in order to facilitate the handling of the traffic, and to secure entire control over the route in which it is engaged, the powers of the Pacific Cable Board be extended to enable the Board to erect a land line across Canada."

CHAIRMAN: I understand in view of the decision arrived at a short time ago, you do not propose to move No. 7.

Sir JOSEPH WARD: No, I think the former decision governs this, and under the circumstances I accept the former decision.

DEVELOPMENT OF TELEGRAPHIC COMMUNICATION WITHIN THE EMPIRE.

"That the great importance of wireless telegraphy for social, commercial, and defensive purposes, renders it desirable that the scheme of wireless telegraphy approved at the Conference held at Melbourne in December, 1909, be extended as far as practicable throughout the Empire, with the ultimate object of establishing a chain of British State-owned wireless stations, which, in emergency, will enable the Empire to be to a great extent independent of submarine cables."

Sir JOSEPH WARD: In moving this resolution I would like to say that the wireless system which has been in operation in different parts of the world up to now has advanced so considerably during the last five years that it offers a great inducement to have what I would call a world-wide Empire system established. In New Zealand, as a precedent of what I am urging should be extended abroad, we have accepted a contract for two high-power stations, and there is a guarantee given supported by a financial bond of two powerful financial men under which it is guaranteed that our system in daylight will carry messages 1,250 miles. That means they will reach in the daytime to both Sydney and Melbourne from our two high-power stations. One of those two stations is in the north of New Zealand, and will cover Fiji, which is under the British admistration, coming into line for the creation of a wireless system there. Then we have a number of islands in the Pacific attached to New Zealand where wireless is to be established. In addition to the two high-power stations we are putting up four low-power stations to enable communication to be had with the distant islands belonging to New Zealand, the Auckland Islands for instance, and the Chatham Islands, and all the ships in our waters will be provided

with wireless equipment, and will be in complete touch with one another and our country. We are also establishing low-power wireless systems on both our Government steamers; so that the whole of the steamers, both belonging to public companies and the Governments steamers in our waters, will all be provided with the wireless system.

About 18 months or two years ago a Wireless Conference took place in Melbourne, and at that Conference there were representatives of the various countries, including, I think, Fiji, but at all events we had a representative in Australia, and it was agreed there by resolution to establish a system of Pacific wireless stations, and apart from anything we are doing in New Zealand now we agreed to combine with those countries who were favourable to that proposal so as to have a well-devised system of wireless stations not more than essential to carry on the important work of the Pacific Islands. I understand that the Home Authorities favour the girdling of the Empire to some extent with a system of wireless stations, and if it could be made to fit in with what we are carrying out in our country now—Australia is also carrying out a wireless system independently of us—it seems to me that it would be a splendid alternative route in times of war, particularly where no interference could take place with the shore wireless stations, so that in the event of the cutting of the existing cables there would be the alternative of being able to carry on the work by wireless stations, which would be very valuable indeed. The Conference which took place in Melbourne in 1909 agreed to extend the wireless to the Pacific, and I think it would be a very fine thing in the interests of all parts of the Empire from a national as well as a commercial standpoint; as well as giving those now in isolated places an opportunity of being brought into touch with the world at large. I have pleasure in moving the motion.

CHAIRMAN: I think probably it would be for the convenience of the Conference if Mr. Samuel at once stated the position of the Government and the proposal they are prepared to make.

Mr. SAMUEL: In the opinion of the Government of the United Kingdom it is very desirable that a chain of wireless stations should be established within the Empire, partly for strategical and partly for commercial reasons. Cables, of course, are always liable to be cut in time of war. Wireless stations can be put in protected places, and furthermore, the wireless stations are exceedingly useful for communication with the fleet. On general grounds of Imperial defence we consider it is very desirable to have such a chain of stations. For commercial reasons also such stations might be of value. Wireless telegraphy at present is slow but cheap, and it is becoming more and more reliable, and the probabilities are that the progress of science relating to wireless telegraphy will lead to its being gradually more and more improved. Already the system of wireless telegraphy may be an effective means of securing or assisting to secure reasonable cable rates, and probably its influence in that direction will grow as years go on. We consider it therefore, very desirable that such a system should be established. We also think it should be a State-owned system. If it were in the hands of a company it could not fail to be a monopoly, and in an even higher degree than the cable are a monopoly, because while it is possible to lay various competing cables it is exceedingly difficult to have competing systems of wireless telegraphy along the same route, on account of the danger of interference.

Sir JOSEPH WARD: In my resolution I mean a State system entirely.

Mr. SAMUEL: That I understood. Further, in the opinion of the Government of the United Kingdom, it is desirable that action should be taken speedily. But the Government do not think it would be wise at the outset to establish this system of wireless telegraphy in every direction simultaneously. We do not quite know yet what will be its commercial value. There is some doubt, and we think, in

the first place, it would be advisable to esetablish the system along one of the routes, and the route which we would suggest is that from the United Kingdom to India, and from India, through the Straits Settlements, to Australia and New Zealand. There are already long-distance wireless stations in the hands of the Marconi Company connecting England and Canada, and for that and other reasons we consider it desirable that experiments should be made in the first instance, and that the scheme should not be established as a whole at the outset, but that we should set up a chain of six stations in England, Cyprus, Aden, Bombay, Straits Settlements, and Western Australia. From Western Australia the messages would go over the Australian land lines to Sydney, and from there by wireless, if it were desired, to New Zealand. Of course, the details of that scheme are matters for subsequent consideration. Later, South Africa would be connected either *via* East Africa or West Africa or by both the routes. If favourable terms could be obtained from one of the wireless telegraphy companies we are inclined to think it might be desirable if they erected the stations in the first instance. If satisfactory terms could not be obtained, our view is that the Admiralty, which has a highly efficient department capable of dealing with these problems, should undertake the erection of the stations, but in any case, by whomever erected, they should be worked by the Post Office and by the local administrations in the various Dominions.

We propose that the cost should be equitably divided among the parties who are concerned, that the United Kingdom should bear the cost of the stations in England, Cyprus, and Aden; that India should bear the cost of the station in Bombay; that New Zealand and Australia should bear the cost of the stations in their own territories, and that the cost of the Singapore station, which probably would have very little local traffic, and which would be created almost entirely merely as a link in the chain, should be divided in equitable proportions that might be subsequently discussed.

The resolution moved by Sir Joseph Ward tacks its proposal on to the resolution passed by the Conference at Melbourne on Pacific wireless telegraphy. This is a matter which lies more in the province of the Colonial Office and of the Treasury than of the Post Office, but I understand that those Departments have not yet consented to the proposal that there should be high-power stations in the Pacific, although the early establishment of some low-power stations in Fiji is contemplated; but in any case even if high-power stations were established in that part of the Pacific, those stations could hardly be the beginning of a chain of Imperial wireless telegraphy. The cost of crossing the Pacific by a chain of stations would be very heavy; the Admiralty are of opinion that it would be of small strategic value; the commercial value would, I am informed, be negligible, and I would suggest that it would perhaps be better for this Conference to pass a resolution dealing with Imperial wireless telegraphy in general terms rather than tacking it on to the proposals of the Melbourne Conference, which were on a much smaller scale, and which dealt with such territories as Ocean Island and the New Hebrides. Possibly Sir Joseph Ward might feel inclined to move his resolution in a slightly different form, not bringing in the Melbourne Conference, in which case the Government of the United Kingdom would be very happy to accept it.

Sir JOSEPH WARD: I am quite agreeable to alter the resolution to read in this way—

Mr. SAMUEL: Perhaps you will read this draft (*handing the same*).

Sir JOSEPH WARD: Yes, I think that is all right. I was going to ask to strike the words out of this resolution, "approved at the Conference held at Melbourne in December, 1909, as far as practicable," and it would then read: That the great importance of wireless telegraphy for social, commercial, and defensive purposes

renders it desirable that the scheme of wireless telegraphy be extended throughout the Empire, with the ultimate object of establishing a chain of British State-owned wireless stations which in emergency would enable the Empire to be to a great extent independent of submarine cables." The suggestion now is as an alternative: "That the great importance of wireless telegraphy for social, commercial, and defensive purposes renders it desirable that a chain of British State-owned wireless stations should be established within the Empire," and I have no objection to proposing that.

Sir WILFRID LAURIER: We agree for Canada.

Mr. PEARCE: Of course we support the resolution, but we trust that the Pacific will not be lost sight of in this matter, because it has to be remembered that there are other European countries that possess colonies in the Pacific, and if the Pacific is to be put out of consideration it is just possible that those other countries will not throw away their opportunity. The committee which sat in Melbourne pointed out that it is known that a certain country was desirous of improving their means of rapid correspondence with their administrative centres, and that they had information that it was their intention to establish radio-telegraphic connections with their colonies. We have to remember that if these wireless stations are to be used for commercial purposes, if the other nations do get in ahead of us, it will have some effect in diverting trade. I was rather disappointed to hear Mr. Samuel say that the Admiralty did not consider the Pacific stations would be of any value for naval purposes.

Mr. SAMUEL: A chain right across.

Mr. PEARCE: Because at the Conference at Melbourne the Admiralty was represented by Lieutenant Fanshawe, and besides him there were Captain Tickell, Mr. Logan, Superintendent of Electric Lines, New Zealand; the Honourable Eyre Hutson, Colonial Secretary of Fiji, Mr. Milward, Manager of the Pacific Cable Board, and the Commonwealth Representatives, Sir John Quick, the Postmaster General, Sir Robert Scott, Secretary to the Postmaster-General's Department, Mr. John Hesketh, Chief Electrical Engineer in the same Department, and Mr. Atlee Hunt. The Committee drew up a secret report dealing with the naval side of the question.

CHAIRMAN: Those considerations will be very present to the minds of the Colonial Office in dealing with the development and further extension of wireless throughout the Pacific when once we have got our main line connecting up the principal parts of the Empire.

Mr. PEARCE: In the meantime we are straining every nerve to maintain the supremacy of British trade with those Pacific Islands, and we look upon this extension of wireless as being a very valuable aid to us. No doubt those who are opposing us in this connection, competing with us, also take the same view, and if we wait too long we may find that they will get in ahead of us. There are, first, one or two other points. With regard to the Conference of next year, I should like to ask Mr. Samuel whether it is proposed that the Dominions should be represented at the Conference.

Mr. SAMUEL: Yes, it is proposed.

Mr. PEARCE: Also as regards the station proposed to be erected in Western Australia, has consideration been given to the fact that we at the present time are establishing a station there?

Mr. FISHER: We are building one.

Mr. PEARCE: We are establishing a wireless station at Fremantle.

Mr. SAMUEL: It it a high-power station?

Mr. PEARCE: No, I do not think it is.

Mr. SAMUEL: It would not reach to Singapore?

Mr. PEARCE: No, it would not.

Mr. FISHER: It would be well to keep in mind that Australia intends to go in for wireless on its own account.

Mr. PEARCE: It is going in for it at the present time.

Mr. FISHER: And intends to.

Mr. PEARCE: If it is found that the station we are erecting at Fremantle is not of sufficient power, now is the time to make representations, before we are too far committed.

Mr. SAMUEL: I should like you to make them now.

Mr. PEARCE: If you inform us what power is necessary, I could communicate with the Postmaster-General.

Mr. FISHER: We have been in trouble for eighteen months, in consequence of wrong information.

Mr. PEARCE: I should think the limit would be Fremantle, Cocos Island, and Singapore, and not Singapore to Fremantle direct.

Mr. SAMUEL: That is a scheme which has been worked out by the Cable Landing Committee, which is a committee of the various Departments here. The more links there are the more expense it is, and the slower will be the communication. We are already transmitting five times after the original transmission, which will very much slacken the speed of telegraphing.

Mr. PEARCE: I should be surprised to learn that by a high-power station we could link up with Singapore.

The CHAIRMAN: The Landing Committee certainly thought there would be no difficulty about that with an ordinary high-power station.

Mr. PEARCE: The point we want to press is that the Pacific should certainly not be overlooked, and we are rather doubtful whether it should be held over pending the completion of the main line of communications.

Mr. FISHER: We cannot commit ourselves to stopping our procedure.

Mr. SAMUEL: No, but you would be very willing, I understand, to join in the scheme for a chain of wireless stations from the United Kingdom to Australia, and, if necessary, to adapt one of your stations to make the final link of that chain.

Mr. FISHER: I would like to know whether the passing of this Resolution alone commits the Governments to this scheme, and I should like to hear more about it first.

Mr. PEARCE: The only financial responsibility we would be committed to would be Singapore.

Mr. SAMUEL: Part, not the whole, and also to the establishment of such a station in Australia as would link up with the next station on the chain.

Sir JOSEPH WARD: That would be the Fremantle station, I presume, extended, perhaps.

The CHAIRMAN: To link up with Singapore.

Mr. FISHER: I want to be quite clear on this matter. We are quite willing to co-operate in every possible way, but this matter rather belongs to an expert committee before I should agree to involve the Commonwealth in a monetary obligation. These things cannot be done hurriedly. Passing a resolution of this kind will express the views we hold as to co-operation with you, but to approve a scheme which has not been fully considered would be unwise.

Sir JOSEPH WARD: Everything we are doing here, as far as I am concerned (I made that quite clear before, and I repeat it now), and I think you are in the same position, is subject to the ratification of our Parliaments.

Mr. FISHER: Yes, but I say the scheme is not complete enough from my point of view; I want to see more of a scheme of this character in detail before I can commit the Commonwealth financially to it.

Mr. BRODEUR: I understand it is not embodied in the resolution proposed by Mr. Samuel.

Mr. SAMUEL: We circulated yesterday to all the Members of the Conference a memorandum on the subject, but that memorandum also does not go closely into financial estimates.

Mr. FISHER: I do not want to say it, but we have, as a Government, lost a considerable amount of money by following advice that came from an excellent source, it has been embarrassing and inefficient advice, and we shall certainly not agree to financially assist a scheme which we have not got our experts to examine and report upon. Otherwise the proposition is all right.

Sir D. DE VILLIERS GRAAFF: We support this scheme, sir. We think it is a capital idea, and, I may say, I am glad to hear that South Africa is to be joined in at a later period. If a high-power station is placed at Aden, it is quite possible, by erecting another high-power station at the Victoria Falls, or some other convenient position, we would be able to come into the chain of communication. The Union Government will be quite prepared to consider the advisability of it, so soon as the high-power station, which has been forshadowed by Mr. Samuel, has been erected at Aden. We support the idea of the scheme, and I am sorry that we cannot at once come into the same line of communication—that we cannot be connected with the whole at once, but the Government would be prepared to consider, and I think favourably, erecting a station in a suitable position to communicate with Aden, which will also put us then in the line of communication.

Sir JOSEPH WARD: May I just say on the point raised by Mr. Fisher—and perhaps Mr. Samuel will correct me if I am wrong—that I understand that the proposal for the establishment of the six wireless stations which you named outside of Singapore, which is a necessary connection for transmitting the wireless messages from Australia and New Zealand and from this end from India, the British Government carry out the other stations.

Mr. SAMUEL: And the Indian Government.

Sir JOSEPH WARD: They bear the cost of providing the stations and the maintenance and working of them.

Mr. SAMUEL: Yes, that is with regard to the capital expenditure for establishing the stations, but as these stations will be links in the chain, the working of the scheme must be viewed as a whole, and the suggestion is that the working expenses should be pooled, and that the receipts should also be pooled, and any profit or loss be divided under an equitable scheme to be agreed upon.

Sir JOSEPH WARD: Australia is in a similar position to New Zealand, and we are establishing high-power stations now. At Fremantle, I understand, it is a station to carry messages distances of about 1,000 miles. The difference between a high-power station and a station carrying messages 1,000 miles under ordinary conditions ought to be the work of Australia, just as in New Zealand the work of providing our stations for carrying messages a long distance is our work. I understand your proposition is that after we have established our high-power stations, our profits or our losses are to be included in the link of suggested wireless stations right round, including Australia.

Mr. SAMUEL: It will probably be necessary to distinguish between the work which is done by these stations for local purposes and the work which is done in the transmission of messages between the United Kingdom or India, and Australia or New Zealand.

Sir JOSEPH WARD: The feeling I have, in reply to Mr. Samuel's question, is that if it were possible it would be more satisfactory to say that we were to bear the capital cost of our high-power stations and the working of them; that Australia was to bear the capital cost of its Western Australian Station and the working of it, and that we, with the other co-partners you have referred to, we should jointly bear the cost of the Singapore Station, and jointly bear a proportion of whatever loss or profit was incurred on that particular station. I foresee that if this system of the chain of wireless stations which you are referring to is established on the basis of our standing in with the working of the whole of them, right over the different portions of the Empire, as a corollary to that proposal it would necessitate the establishment of some Board outside the representative Governments, just as in the case of the Pacific Cable Board. I think there is a little difficulty in that.

Mr. FISHER: Only a little one?

Sir JOSEPH WARD: Certainly not much dieulty, for this reason, that independently of the Empire side of the question, we have out in the Southern Seas to carry on local work of a different character altogether; we have to carry on a local work, and when you get an important system of stations established for local working and you endeavour to attach that to a system for wide Empire purposes, for general telegraphy, we would not use it very much commercially right over the Empire, but for other purposes it would be invaluable. I think, when the local side is considered, with regard to the uses to which we put our wireless stations, it would be more satisfactory to let us carry out what we require for our local purposes, giving extended limts in that station at Fremantle, for instance, which has been referred to, to enable communication to go to Singapore.

Mr. FISHER: There is one at Sydney, too.

Sir JOSEPH WARD: There is one at Sydney, too. Let us, if we can, agree that we should share the establishment of the link between the whole of us, the British Government, the Indian Government, the Australian Government, and the New Zealand Government of the Singapore Station; it would not be vary much for any of us to bear our part, and that would be helping on the Empire side. Speaking for New Zealand, we do no want you to suppose for a moment that we require you either to sustain a portion of the loss or to share the profit, as the case may be, of the local uses to which we are going to put our wireless stations, and if we came into the larger question of pooling the profits or losses for imperial purposes, the corollary to that would be the pooling of the profits or losses for local purposes. That would be an invidious position even to suggest that any Government outside our own, which has its own stations, should be put into. I am inclined to

think with Mr. Fisher that, provided that the details of these schemes are not imposed upon us by the affirming of a resolution of this kind, our own experts in the ordinary course of things should report upon them. In a general sense I support the whole proposal you are submitting, but I think upon the question of the division of the responsibilities we require, perhaps, to have a slight alteration made imposing upon us the establishment of our own high-power stations, to make it part and parcel of the whole system you are suggesting, and in turn we ought to recognise—I do as far as New Zealand is concerned— that it is a fair proposition that we should stand in, as far as Singapore is concerned, and do something to keep the link in existence, because that link is just as useful to us as to you.

If any proposals for establishing wireless stations by or in conjunction with a Cable Company were to be favourably entertained, I would ask that this reservation should be made, that where those wireless stations came into the zone of the Pacific Cable there should be no such possibility as a competing cable company with the Pacific Cable taking in wireless messages over its wires that should go over the Pacific Cable; in other words, whatever feeders we can give the Pacific Cable through our wireless stations as co-partners in the State-owned Pacific Cable there, I think clearly it is our duty to see that business is given to the Pacific Cable; and I should, as a matter of preserving the existing rights in the Pacific Cable, ask that there should be no confusion in the proportions of the work which should be given to the Pacific Cable. That is a detail which I apprehend, in the ordinary course of events, could easily be arranged.

If we get to the time when the erecting of these stations is to be carred out, I think it ought to be competed for publicly, and if any particular company whose system is acceptable is the lowest, or if any competing offer is not satisfactory, then I think the work should be handed over to the Admiralty and carried out under the experts. In our country what we have to guard against from a public standpoint, while making for an efficient system, is the possibility of paying too much for the establishment of stations in any part. However, that is a point again which, I think, could be left to the British Administration to do what they consider right, and who also would report and would confer with us before committing us to any expenditure in connection with a matter of that sort.

Mr. FISHER: I just want to make our position quite clear in this matter. No Dominion is more heartily in favour of a British linking up of wireless than we are, only we have started our own scheme, and we intend to proceed with it, not only with these two stations, but a number of other stations on a great continent, and we feel a little out of humour because of the delay which has already taken place. We should have liked, as the Commonwealth, to have had some of the best wireless stations in the world established there, but owing to holding on for similar reasons to those put forward now, until we once get a system for the whole Empire, we have been delayed, and the Commonwealth of course reserves to itself the right to put the stations where they please and how they please. But you may rely upon it, that once the scheme is developed and our financial obligations known, the Commonwealth will enter into full co-operation for strategical and protective purposes, and for commercial purposes too. I wish to reserve myself from conveying to this Conference or any other one that we are committing ourselves to a scheme as outlined on the financial side of it.

Mr. SAMUEL: We were hoping that the amount of traffic which would go through this chain of wireless stations would be so great that it would occupy them all day, that they would be additional stations, and that they would be unable to take any local work, but it is impossible to guarantee that. Would it not be best to establish a small joint committee representing the various parties immediately interested in order to work out the details of this scheme?

Mr. FISHER: We are going on, and we cannot stop because of anything being done elsewhere.

Mr. SAMUEL: It will not affect the stations you are now putting up, but it would be desirable, if there is to be a scheme of this sort, that your stations you are now erecting should either work in with them or that supplemental stations should be erected to take this new work.

Mr. FISHER: But our contracts are so drawn that we really find ourselves embarassed when we want to make any alteration whatever.

Mr. SAMUEL: I would suggest that there should be a joint committee working out the details on which, perhaps, the Australian Government would nominate a member, and perhaps the New Zealand Government would also nominate a member. I suppose it ought to sit in London.

Mr. FISHER: I think it ought to sit in Australia. It is about time you were seeing the countries you are dealing with.

Mr. SAMUEL: The Indian Government is also concerned, and Aden and Cyprus; all those places will need stations. However, perhaps we can discuss the details afterwards.

Mr. FISHER: I do not think it would be a bad idea if they would just take a trip out there and see the places before deciding upon them.

Sir D. DE VILLIERS GRAAFF: I take it that we express the desirability of such a system by passing this resolution. The other matters are matters of detail to be considered later on. As to the desirability, there can be no question—we are all in favour of it.

The CHAIRMAN: I understand the motion is acceptable to all: "That the great " importance of wireless telegraphy for social, commercial, and defensive purposes " renders it desirable that a chain of British State-owned wireless stations should be " established within the Empire."

Sir JOSEPH WARD: That, I understand, is carried unanimously.

The CHAIRMAN: That is carried unanimously.

Universal Penny Postage.

"That, in view of the social, political, and commercial advantage to accrue from a system of international penny postage, this Conference recommends to His Majesty's Government the advisability of approaching the Governments of other States known to be favourable to the scheme with a view to united action being taken at the next meeting of the Congress of the Universal Postal Union."

Sir JOSEPH WARD: I had the honour of introducing a similar motion to this in 1907, and although the resolution was accepted by the British representatives, it was regarded as an indication of policy as leaving the British Government free to judge as to the time and opportunity, and especially as to the question of funds at their disposal, with respect to how far and at what moment and to what extent the Government would carry out the policy of further postal reforms with reference to foreign countries or the Colonies, and in the matter of the adoption of a universal penny post. It was pointed out that the adoption of the penny rate in its entirety would involve a charge on the British Government of a very serious sum, and I anticipate that same idea probably will suggest itself in connection with this resolution.

Fears were expressed that there would be no hope within a number of years to make up the loss by increased facilities leading to increased business. I want to point out what has occurred since then. Not only has the British Post Office been able to see its way to arrange for the exchange of penny letters between the United Kingdom and the United States of America, but the German Post Office has made a similar arrangement with the United States of America. Here I want to take the opportunity of saying that at the Postal Conference in Rome in 1906 I expressed the conviction that a system of Universal Penny Postage would be an enormous advantage to the world at large, and that the loss of revenue would be but temporary. I propose presently to show that the loss of revenue in every case where penny postage has been carried out has been but temporary, and I think I will be able to justify that. But, judging from the Reports of the British Postmaster-General, the anticipation then expressed appears to be amply confirmed. In speaking on the subject at the Conference of 1907, I suggested that we might find America and Germany entering into agreement for penny postage, and, as I have already said, this has been realised, but it is some satisfaction to remember that the agreement between Great Britain and America preceded it. Now, from the point of view of New Zealand, and I also believe from that of the Commonwealth of Australia, the weak point with the present arrangement with America is that it is confined to Great Britain instead of covering the countries included in the Imperial scheme. It is quite true that New Zealand has a unilateral arrangement with United States under which penny letters are delivered in that country without surcharge, but in any case that cannot be looked upon, as far as we are concerned, with any degree of complete satisfaction. In the case of the great Dominion of Canada, it has its own arrangement with America.

In connection with the suggestion to include the rest of the Empire, I want to say something with regard to the individual experiences in those countries from the financial standpoint in the matter of loss of revenue, although my proposal now is over a wider area. There was some loss, but we had a quick recovery of our revenue, and wehave the two important illustrations of Canada and New Zealand in that respect. I remember perfectly well in New Zealand, when the suggestion of the Universal Penny Postage was being considered, the Postal Department believed we were to make an immediate loss of something between 80,000*l.* and 150,000*l.* a year. The first year after that system was in operation our loss of revenue was 48,000*l.* Here the increase in the correspondence would soon make good the loss, judging by the Report to the year ending 31st Marsh 1910 of the British Postmaster General, who, in speaking of the penny postage with the United States of America, said, "Penny Postage with the United States of America was established on the 1st October 1908, and the result has been satisfactory. The arrangement applies to letters exchanged between places in the United Kingdom and places in the United States, including Alaska and Hawaii. The latest statistics indicate an increase of the number of letters between the two countries since the introduction of penny postage of about 25 per cent., a very satisfactory increase." Now, on the 31st March 1910 the British Postmaster-General stated that the total weight of letters and post cards from the United Kingdom to places abroad in 1909 shows on increase of 10.75 per cent. over the first figures of 1908, as compared with a slightly larger increase, 11·43 per cent., in that year over 1907. The rate of increase remains higher than before the introduction of the present postage rates in October 1907. The amount of correspondence sent by letter post from this country to the United States has increased by about 32 per cent. since the rate of postage was reduced on the 1st October 1908, and the increase in the reserve direction is about 29 per cent. Roughly, two-thirds of this increase is estimated as being the result of the introduction of the penny post, the remaining one-third representing the normal natural growth in the mails at the rate of about 5 per cent. That the increase still continues is shown by the Appendix to the Report for 1910, and there it will be found upon reference that it is stated that the weight of the letters and postcards exchanged by

the United Kingdom with foreign countries and British Colonies, which in 1908 was 3,926,000 lbs., had increased in 1909 to 4,348.000 lbs. The experience of the British Post Office pending the extension of the penny rate has been somewhat similar to that of the introduction of Universal Penny Postage in both Canada and New Zealand.

The point I am endeavouring to make is not due to any abnormal circumstances or any unusual causes, but to the enhanced facilities extended to the public. I want to show what took place in the increase of correspondence in New Zealand following the introduction of the penny rate there. We brought the system into operation on the 1st January, 1901. Counting took place in July 1901, and that counting showed that the increase in letters was at the rate of about 10,000,000 over the number posted the previous year, before the introduction of penny postage, and at that period it showed that the loss according to the estimate made by the officers of the Department was only 43,591*l*.

Now the first year after the introduction of the penny rate the increase in the number of paid letters despatched was 11,705,000, or 35·47 per cent. The next year it was 16,269,000, or 49·31 per cent. In the following year it was 19,207,000, or 58·51 per cent., and in the succeeding year it was 24,014,000, or 72·78 per cent. That is the increase in the number of letters alone. I know from examination into the matter and also from information furnished to me personally by the then Postmaster-General of Canada, the experience of Canada in the introduction of penny postage with a larger amount of revenue at stake in the first instance was almost identical with that of New Zealand, and it shows that, although we were separate countries, the causes which were at work in the restoration of that revenue are world wide, and I believe you will find in the great Commonwealth of Australia—where they have, I am happy to see, under Mr. Fisher's Government, established a system of Universal Penny Postage—although their loss in proportion, on account of their greater numbers compared to ours, will be greater, yet I am satisfied that within the same period they will recover the whole of their revenue. The point I want to impress on the Conference is this. The great old British Post Office in this old British world has all along been the forerunner of tremendous reforms in the postal service of the most far-reaching character, conferring enormous benefits on the users of the British Post Office. I took the British Post Office as my guide in my earlier years of administrative life in my country as being the institution to follow regarding penny postage, it having conferred an inestimable boon upon the people whom the Post Office serves. I had the argument brought up time and again in New Zealand, because of the fact that in the United Kingdom there was a population of about 40 to 1 of ours, that what was all right with that large number of people was going to be all wrong with a thinly populated country like New Zealand. These sort of theories in the face of the facts that come out as the result of operations will not stand in the way of reform for a moment. The revenue must be less in proportion to the number of the people, and the expenditure of the Department must be less in the same proportion, but the net results of the adoption of the system, if you look at it upon the *per capita* basis, is particularly the same whether the population of the Old Country is 40 to 1 of ours or otherwise. If that theory were true, why should Canada, with only about 5,000,000 of people in its territory and New Zealand, at the time I speak of, with only about 700,000 people in its territory, separated as those countries are, and with the comparatively speaking small populations, have brought about virtually the same results as followed the tremendous reforms made in the days gone by in the British Post Office in this all-important matter of conferring penny postage on the people using the Britsh Post Office? The question of revenue and expenditure is a point we must consider, and I know the financial side has to be considered by the British Government, as I recognise must be the case in regard to all these matters; but the point

I want to impress upon the Conference is that under the Postal Union any of those great countries that have not penny postage between them may enter into an agreement to have it established as between themselves without waiting for another Postal Conference to sit to have it made general. Already since that Postal Conference took place in Rome in 1907, we find the United Kingdom and the United States of America have by agreement (the power to agree having been conferred upon them under the Postal Union Rules) entered into the system of penny postage as between those two countries; already Germany has by agreement with the United States of America arranged to have penny postage; and the time is not very far distant when France will do the same with the United States of America. As a matter of fact, the people who are carrying on their important affairs in those countries who are standing outside the penny postal system, for the mere sake of getting their business arrangements carried out on grounds similar to the great competitive countries, will demand it against the will of those who may regard it from a financial standpoint as not being desirable to do it, and will certainly bring those countries by agreement into a system of penny postage. We have already, as Mr. Harcourt knows, and as the Postmaster-General knows, entered into an arrangement with France as far as New Zealand is concerned for the establishment of the system of penny postage. So the whole movement of the independent countries is in the direction of bringing about universal penny postage. Then why should not we, as a Conference, with men from all portions of the Empire represented here, take time by the forelock, and why should we wait to be drawn by the chariot wheels of the independent countries who are going to establish this system as between themselves, and why should not we have,—I will not say the courage,—but why should not we accept the practical working of the great countries which have established penny postage already and have proved it to be on a sound financial basis, which proves conclusively that within two-and-a-half years the whole of the loss of revenue as the outcome of the greater usage of the Post Office by the increase of letters posted has been made up. These facts cannnot be contradicted so far as those countries are concerned.

Mr. SAMUEL: There is no penny postage between France and New Zealand.

Sir JOSEPH WARD: They have agreed to accept our letters at the penny rate from New Zealand to France. That shows they are a very sensible people and recognise the possible advantage of it, and I should think it is going to be the precursor to their establishing it with England. My opinion is that France cannot long remain behind Germany in that all-important question of penny postage, and they will before long be in agreement with America; and there will be the anomaly of letters passing through Italy and France from New Zealand, and from here through Italy and France to New Zealand for 1d. while 2½d. is still being charged between this country and France, which will by degrees affect public opinion in those countries, and I hope before long to see them in the van of progress.

I should like Mr. Samuel, in order to add to the splendid coping-stone he has already laid in the way of reforms in the Post Office of the Old Country, to agree to this Resolution that universal penny postage should be put into operation as soon as practicable. I do not believe that the fact of our carrying a resolution of this kind should make it any less or more difficult to arrange from time to time to have this world-wide system established, which I believe would be of enormous advantage to all parts of the Empire and to the world at large.

The CAHIRMAN: Perhaps the Conference would like to hear Mr. Samuel at once on the subject.

Mr. SAMUEL: As this Resolution relates specially to the Government of the United Kingdom, perhaps I may be allowed to say a few words upon it. I think

this Conference ought not to separate without expression being given to the gratification which I am sure all of its members feel at the fact that Australia has now joined in the system of Imperial penny postage, so completing the whole scheme of Imperial penny postage throughout the Empire with the exception of a few not very important islands in the Pacific. Imperial penny postage involves to the United Kingdom a considerable loss every year, but nevertheless it is expenditure which everyone in this country agrees is well worth making. The present loss is estimated at 150,000*l.* a year, and as the correspondence grows in consequence of the stimulus given to it by the cheap postage rate, and correspondence always does grow, as Sir Joseph Ward has said, under that stimulus, so the loss will increase. The average cost of handling each letter from England to varying parts of the British Empire and its reply—because we have also to handle the letter in this country which comes from across the seas for which we get nothing at all—is 1⅛*d.*, and we therefore lose ⅛th of a penny on each letter sent under the Imperial penny postage scheme, a loss, however, which we very willingly bear. The system was extended to the United States of America two years ago. There the cost—as our expense is merely limited to the payment for the transit across the Atlantic and handling the reply in this country—is slightly less than 1*d.* per letter on the average, but the initial loss to the Exchequer of this country is 136,000*l.*, which is gradualy being recouped at the rate of about 10,000*l.* a year; so that in about 14 years the initial loss of revenue will be made good. The question now is whether we should incur the further loss of revenue which would be involved by universal penny postage, a loss which would not be made good by the increase of communications to the more distant countries of the world, since, in those cases, as in the case of the more distant parts of the British Empire, the cost of handling each letter and its reply is more than 1*d.*? The immediate loss by reducing to 1*d.* the postage charged on letters that now go at the rate of 2½*d.* and the proportionate reductions on the heavier letters would be 450,000*l.* a year, which, as I say, would not be made good, because there is no profit on the increased correspondence. The situation, therefore, presents itself to us in a very different light from that in which it presents itself to the Government of New Zealand. Sir Joseph Ward furnished to the Conference at Rome some figures collected in 1905 dealing with the Post Office of New Zealand, and an analysis of those figures shows that the total postage paid on letters leaving New Zealand at that time for countries with which we now have the 2½*d.* rate—that is to say, excluding the British Empire and excluding the United States, and limiting ourselves to the Continent of Europe and South America, and Central America and to the countries of Asia—the total postage paid on letters of that character leaving New Zealand was 1,070*l.* in that year, so I am informed; so that the loss involved by reducing the rate on those letters from 2½*d.* to 1*d.* would be about 600*l.*, or quite a negligible quantity.

Sir JOSEPH WARD: Why do you exclude the British Empire?

Mr. SAMUEL: Because I am trying to make a comparison between what we are now asked to do—that is to say, reduce from 2½*d.* to 1*d.* letters going to the portions of the world other than the British Empire, Egypt, and the United States—and what the similar loss would have been to New Zealand at the time she reduced her rate from 2½*d.* to 1*d.* It is obvious that the position is very different when you have to approach a loss of 450,000*l.* and when you approach a loss of only some 600*l.* At Rome, in 1906, the suggestion was made for universal penny postage, but it received no support from any other country except the United States of America and Egypt.

Sir JOSEPH WARD: What did Canada do on that occasion?

Mr. SAMUEL: I do not know.

Sir JOSEPH WARD: Canada voted for it. You have left Canada out.

Mr. SAMUEL: Is that so?

Sir JOSEPH WARD: Yes.

Mr. SAMUEL: The information supplied me was that those were the only supporters.

Sir WILFRID LAURIER: We stood in a subordinate position; but I would favour it, for my part.

Mr. SAMUEL: The information supplied me from the records—I hope it is correct—is, that the United States and Egypt were the only countries supporting.

Sir D. DE VILLIERS GRAAFF: That is so.

Sir JOSEPH WARD: Dr. Coulter, the Deputy Postmaster-General, told me in Ottawa, when I passed through a few weeks ago, that he supported it, and that it was expected by the representatives of the British Government that he would vote against it, but he did not, and he supported it. The question afterwards arose in the Canadian House of Parliament, and Sir Wilfrid Laurier made a statement to that effect.

Mr. SAMUEL: Then my information must be incorrect; but the other countries of the world did not support the Resolution, and even the proposal to reduce the minimum from 2½*d.* to 2*d.*, supported by Great Britain, was rejected, and the only alteration made was an increase in the weight allowed. I wish I could see my way to support Sir Joseph Ward's Resolution, but in view of the very heavy expenditure which this country is now incurring for social reforms, and also for the purposes of defence, I regret to say that the Government cannot give its adhesion to the proposal.

Sir WILFRID LAURIER: I would support the motion on principle. I think it is a very forward policy. It chiefly concerns the United Kingdom. So far as Canada is concerned we have very little trade relation with any country except the United States and the United Kingdom. Our relations with the outside world are very limited. I would favour the resolutions on the whole.

Mr. FISHER: The Commonwealth: As regards postage to-day it has penny postage throughout the world to any country that will reciprocate. We can hardly go any further. If any country will reciprocate with us we give it penny postage. That is our policy, and therefore, of course, we must support this proposal. We do not propose in the meantime to give penny postage to a country where they are charging us 2½*d.* or 3*d.*, but as soon as they are ready to accept penny postage we will agree with them.

Sir D. DE VILLIERS GRAAFF: We have made several concessions in the Union in the Post Office as well as the Telepragh service and we have established penny postage, not only with the Mother Country but all the British Dominions, with the exception of a few islands; but, generally, so far as we are concerned, in the British Dominions our postage is 1*d.* I am now advised that if we do adopt the universal penny postage the loss would be too great for the Union, and, therefore, whilst we are quite at one with the principle, and approve of the principle, and would gladly see the rate altered, but so far as we are concerned not at once, as we prefer for the present to stand out on account of the loss of revenue that would ensue. I may say in a sense there is universal penny postage, by means of the penny postcard, which it already an accomplished fact. The foreign postcard rate practically all over the world is 1*d.*, and the postcard enjoys all the privileges of a letter, except that of absolute privacy, that is to say, it receives priority in delivery with letters over all other classes of mail matter. So that we intend to abide by that for the present.

My information also is that New Zealand, in 1906, moved at the Rome Convention for this international penny postage, but the only support it got was from the United States and Egypt. This is the information supplied to me by our Union Post Office. Whilst we are quite content with the principle of this motion we cannot join in it for the present.

The CHAIRMAN: I do not know whether it would suit you, Sir Joseph, to recur to the motion which you moved at the last Conference: "That in view of the "social and political advantages, and the material commercial advantages to accrue "from a system of international penny postage, this Conference recommends to His "Majesty's Government the advisability, if and when a suitable opportunity occurs, "of approaching the Governments of other States, members of the Universal Postal "Union, in order to obtain further reduction of postal rates, with a view to the more "general, and, if possible, universal, adoption of the penny rate.' It seems, perhaps, that is as far as we shall be able to go with unanimity to-day, and if probably expresses a wish which would be felt by all of us round this table.

General BOTHA: Yes, that is all right; and a resolution of that kind, I think, we would support.

Sir JOSEPH WARD: I have just been looking through the Report of the Conference at Rome. I recollect the Canadian Delegate did not vote against the proposal at the Conference. I remember that quite well. As a matter of fact, here is the record of it, and it shows that Canada abstained from voting, and that is a very important point. Canada did not vote against that resolution, and I want to put that on the record. For resolution there voted the United States of America, Australia (at that time New Zealand had not an independent vote, but we got it at that Conference), and Egypt. So the United States, Australia, New Zealand, and Egypt voted in favour of that proposal alluded to in Mr. Samuel's remarks. There voted against it Germany, The Argentine, Austria, Belgium, Demmark, Spain, France, Hungary Italy, Mexico, Hollard, Portugal, Russia, Sweden, Switzerland. Turkey, and Uruguay; and Canada, Great Britain, India and Japan abstained from voting.

Mr. SAMUEL: Then we are both right, because I said that Egypt and the United States were the only countries that supported the Resolution, and you said Canada did not vote against it.

Sir JOSEPH WARD: Egypt, Australia, and the United States supported it, and Canada, Great Britain, India, and Japan abstained from voting. That is the position regarding it.

I want to say a word regarding the theory that Mr. Samuel asks the Conference to accept; and, speaking for myself individually, I am not, with all deference to him, going to accept that theory. If there is this principle of an analytical cutting-up of sections of the postal world, and applying the suggested principle of the loss of a penny, and a little over a penny in some cases, per letter, then I want to know in the first place how much does the British Post Office estimate they make as loss upon the sectional divisions within the United Kingdom and Ireland itself for the carrying of letters outside the cities at the penny rate? If this theory which is being applied for the purposes of argument by Mr. Samuel is to be accepted, then it is going to make an inroad upon any suggested lowering of rates over long distances, not only in the postal would, but in the railway world, of all countries. If the theory that you are going to take 15 years to recover the loss of revenue of 155,000*l.* with the United States of America is right, then Great Britain, in my opinion, ought not to recover for the next half-century the loss they incurred in the first instances upon the adoption of the penny post within the United Kingdom because if you analyse it in that way in sections it implies this: Supposing in any one of our countries we were paying 4, 000*l.* a year for a subsidised mail service by coach over which a certain number of letters

are sent, unless the total number of letters going over that coach route, for which you pay 4,000*l.* a year, was sufficient to make up the whole 4,000*l.*, or, put the illustration to convey the impression that I hold with regard to that argument, supposing there was a loss of 3,000*l.* a year upon that as far as the carriage of mails is concerned, to have brought that up as a consequential argument connected with a world-wide system and say upon a particular portion of it the letters that you are carrying at a penny, a huge loss of over a penny a letter was the result, would be a assume that the very sources from which the British Post Office makes up the bulk of its revenue in short distances ought to be excluded altogether from the financial side of that great Department, I do not accept that portion of the argument adduced by Mr. Samuel regarding the mail matter at the inception of the Penny Postal system in New Zealand, if you include only some part of the countries that would be brought under the system of Universay Penny Postage. You must include them all. To sectionize a portion of the outward mail matter from New Zealand, and to say the reduction from 2½*d.* to 1*d.* represented a revenue of only 1,070*l.*, and to suggest that all the other earning powers of the Penny Postage system over the short distances either in our own country, or beyond too, were not to be taken into consideration in the matter of making up a loss would be logically to bear out the argument that Mr. Samuel has so forcibly given us to-day. But in my opinion that is not the right way to look at the result from a reform of that kind. You must take all the short distances with the long distances, and deal with your revenue as a whole, and with the expenditure as a whole, if you want to arrive, in my judgment, at anything like a true basis. Here you are over the whole system either going to make a profit or a loss. Supposing that sytem of argument was applied to the railway service we have in this great metropolis of London, I will undertake to say that any of the railway companies here depend very largely upon the short-distance traffic at a low rate encircling this City of London, and if they had not the millions of passengers utilising that short-distance traffic, giving them a very large revenue at a low rate per mile within that zone, they could not possibly carry the people for long distances throughout England, Scotland, and Wales at the rates they do. If they had not the low rates within the short area to make up for what would be admittedly a loss upon the long areas they could not carry the people, and the competition of passage by sea would deprive them of their long-distance traffic.

Mr. SAMUEL: They do not charge the same fares for suburban traffic as for taking people to Scotland and Wales.

Sir JOSEPH WARD: They must charge a lower fare for suburban traffic; so you do for the delivery of a letter within the City of London.

Mr. SAMUEL: No, we do not.

Sir JOSEPH WARD: We do at all events in New Zealand. We charge ½*d.* as against 1*d.* for those places beyond. If for the purposes of bringing about a largely increased traffic over your railway system in the United Kingdom a proposal was made in that direction, and it was suggested that the more people you carried for a long distance the greater your loss was going to be, that is Mr. Samuel's argument——

Mr. SAMUEL: No. Your suggestion is that the railway companies should charge the same amount for carrying a man from London to Edinburgh as for carrying a man from London to Norwood.

Sir JOSEPH WARD: As a matter of fact I believe I am fairly right in saying that between here and the suburbs of London the rate may be ½*d.* per mile. I do not know what it is.

Mr. SAMUEL: Yes, but it is per mile.

Sir JOSEPH WARD: Yes, the rate between here and the suburbs of London may be ½*d.* per mile, and it may be from here to Glasgow 1*d.* per mile.

Mr. SAMUEL: Yes, but the total amount is very different.

Sir FREDERICK BORDEN: It depends upon the distance. The cases are not analogous, are they?

Sir JOSEPH WARD: But if the railway department, for the purposes of arriving at general revenue, was sectionised as you sectionised it in connection with the proposal for penny postage, I do not believe it would make a reduction between short distance and long distance rates, because it would show a loss every time. I do not think the postal world does show a loss every time. However, I have placed the matter before the Conference, and my own opinion is, as I said at Rome, and I reaffirm it here, that with the power of individual agreement between these countries I believe before many years pass by all the postal services of the world will be forced into a system of universal penny postage as the outcome of the individual action of different countries. I am very glad to see that this proposal is supported by, I think I am right in saying, if not a majority of the Conference, what appears to be about an equal division upon it, and in order to have unanimity, the proper thing for me to do is to accept the alteration suggested by Mr. Harcourt.

The CHAIRMAN: I take it the Conference agrees to the Resolution I have just read.

[AGREED].

IMPERIAL POSTAL ORDER SCHEME.

"That it is desirable to complete the Imperial postal order scheme by its extension to Australia, and its full adoption by Canada, so that the British postal order shall be obtainable and payable in all parts of the Empire, and thus afford a ready and economical means of remitting small sums not only between the United Kingdom and other parts of the Empire, but between each part and every other."

Mr. SAMUEL: The system of the British Postal Order now extends over almost the whole of the Empire, and a postal order of a uniform character is issued, and is cashed in the United Kingdom, South Africa, New Zealand, Newfoundland, India, the West Indies and the other Crown Colonies. Wherever this system exists, it has proved successful and works quite smoothly, and no difficulties of any kind have been experienced in all the countries that have adopted it, and they have expressed their satisfaction with it. There are only two exceptions in the whole wide area of the British Empire, one a partial exception in the case of Canada, and one a complete exception in the case of Australia. Canada does not issue the British postal order at all. Canada cashes them, but only at 22 of the chief offices in the largest towns; and Canada will not allow any adhesive stamps to be put on to the postal order which it cashes; elsewhere odd sums, pennies or cents, can be made up with stamps. In Australia the system is not adopted at all, and the British postal order is neither cashed nor issued. It is impracticable to arrange for the reciprocal interchange of the separate postal orders of all the different Dominions. That would mean that at the 20,000 offices of the United Kingdom, for example, each postmaster or sub-postmaster would have to make himself familiar with the postal order of each one of the Dominions, and it is obvious that there would be very great risk of forgery, and in such circumstances it would be exceedingly easy and very profitable for any one to forge a postal order which purported to be the postal order of Newfoundland or some island of the West Indies, and present it to be cashed at different post offices in

different parts of the country; and it would be almost impossible for the sub-postmasters and postmasters to refuse to cash documents purporting to be the postal orders of some distant part of the Empire.

Also it is of great value to have a single medium circulating through all parts of the Empire, because it not only facilitates the distribution of small sums of money between the United Kingdom and each separate Dominion, but also between the Dominions and Colonies themselves. For example, I may suggest it would be a great advantage to Canada to have a postal order which would enable small sums to be remitted to and from the West Indies to facilitate trade transactions of a small character; and similarly between Canada and Australia, and so forth. It is found exceedingly convenient to be able to transmit these very small sums at a very cheap rate for the purchase of a book or for the payment of a newspaper subscription, or for buying small presents and other purposes. The scheme is self-supporting. The poundage on the postal order covers the cost of it. It is true the charge is lower than on money-orders, but on the other hand the issuing of postal orders involves less work to the officials than the issuing of money-orders. In those circumstances I trust one of the outcomes of this Conference might perhaps be the completion of the system now so nearly complete, by the acceptance by Canada and Australia of this scheme. Since the scheme is already in operation in South Africa and New Zealand, it might perhaps be to the advantage of the Conference to have the experience of those two Dominions as to the working of the British postal order system in their territories.

Sir JOSEPH WARD: I can say in reply to Mr. Samuel's question that in New Zealand it works most satisfactorily. If we had not a system of this kind in operation the ordinary rates for the conveyance of money under the money-order system would not be available at all, or would only be availed of very slightly. This has provided a system as between the remission by a bank draft and by a money-order, and it is exceedingly useful to the people, and from the postal point of view the reports, as will be seen, which are here, as far as New Zealand is concerned, show results which are highly satisfactory. So far as the experience of the country I represent is concerned we look upon it is a very useful reform which has been made, and one which I believe would work just as well with other countries, and I should like to see it established throughout the whole Empire.

Sir D. DE VILLIERS GRAAFF: I am glad that I can recount a similar experience in South Africa. When the suggestion was first made to the South African Colonies they were somewhat sceptical about going in for this system, but to-day there is nothing but praise for it, and I may, perhaps, relate what experience has proved in South Africa. The experience South Africa has had since 1905 has demonstrated very clearly the advantages of the system, affording as it does a cheap and convenient method of remitting small sums of money between the several Dominions and Colonies of the British Empire, and there can be no doubt that a class of business previously untouched has been and is being developed by its means. The South African Postal Administrations when approached on the subject all took into consideration objections to the Imperial scheme similar to those raised by Canada and Australia, but were ultimately satisfied that the benefits to be gained far outweighed the anticipated difficulties, and the success which has attended the working of the scheme has amply justified their decision. No complications arose while separate local issues of orders were maintained. These have all been worked off, and only the Imperial order is now used in the Union. No administrative or accounting difficulties have arisen so far, and while it is true that, owing to the concentration of the audit work in London, some time, according to distance, must necessarily elapse in connection with the answering of questions respecting paid orders, this may be regarded as a very minor difficulty. London replies most promptly to inquiries and there has been no public complaint.

There can be no question that the usefulness of the system depends entirely upon the availability for circulation throughout the Empire of one class of order, and if the principle underlying the scheme is recognised as an Imperial one it would seem but right and proper that the Postal Orders of the Mother Country should be adopted for the purpose. Apart from the facilities provided for the interchange of small remittances and from what might be termed the sentimental aspect of an Imperial scheme, the Postal Order system is financially advantageous to Colonial Administrations. The United Kingdom prints the orders—and great expense is involved in this—and supplies them free of charge together with the relative stationery; allows 1*l.* for every 1,000 orders issued and 1*l.* 10*s.* for every 1,000 orders paid in addition to which Colonial Administrations are at liberty to charge such commission over and above the British rate as they may desire, the surcharge being retained by them as Revenue. The United Kingdom also gives credit for the value of all orders issued in the Union, but not cashed by the public within the usual period, and finally carries out the administration of the whole business. The postal order transactions in the Union are growing rapidly without causing any decrease in the Money Order business. The number issued throughout the Union in 1910 was 2,693,712, an increase of half a million over the previous year, while the number of orders paid was 2,020,730, an increase of 305,893 in the last year. So that it has worked very satisfactorily with us, and the Department has everything to say in its praise, and we will be glad to see Australia come into the same system, and, if it were possible for Canada to extend it, we would welcome it.

Sir WILFRID LAURIER: I received yesterday from my colleague, the Postmaster-General, a long despatch showing a number of difficulties in the administration of this scheme. The difficulties seem to be a somewhat serious character, and will involve, perhaps, a good deal of trouble and worry upon the Post Office Department; but as those difficulties have been overcome elsewhere, I do not see why they could not be overcome in Canada also, and I shall ask my colleague not to stand in the way of the unanimous adoption of this scheme.

Mr. FISHER: We have the advantage of those who have experience of it in both the United Kingdom and the other Dominions. I observe that this proposition is rather a recent piece of business brought on by the United Kingdom, and it is not in the original Agenda. It is not any the less valuable on that account, but it would have been of value if we had known that you were going to bring it up.

Mr. BATCHELOR: The Memorandum was issued on the 7th of February.

Sir JOSEPH WARD: Yes, we got it on the 7th of February.

Mr. FISHER: Anything that can facilitate transmission of Government orders of any kind will be very acceptable to us, and I shall take the same step as we have taken in other matters and try and co-operate as far as possible. Without committing myself absolutely, I have no objection to the Resolution. I am very glad to know that the system is working well elsewhere, and what others are doing we can put up with.

Sir JOSEPH WARD: The postal orders we send out have increased by 21 per cent., and the increase in the number paid is 23 per cent., and the system is reported upon most favourably by the Departmental Officers.

Mr. FISHER: But Sir Wilfrid Laurier and myself represent much larger communities and more scattered people. Our difficulties are not known to you at all; but that is not the point. If we can co-operate with you we shall do it cheerfully.

The CHAIRMAN: Then I may take it that even postal orders do not break our unanimity.

[AGREED.]

Adjourned to to-morrow morning at 11 o'clock.

COMMITTEE ON ARBITRATION AWARDS.

Thursday, 15th June 1911.

AT THE FOREIGN OFFICE.

PRESENT:

Sir RUFUS ISAACS, K.C., His Majesty's Attorney-General, in the Chair.

Canada.

The Right Honourable Sir WILFRID LAURIER, G.C.M.G., Prime Minister of the Dominion.

Australia.

The Honourable A. FISHER, Prime Minister of the Commonwealth.

New Zealand.

The Honourable J. G. FINDLAY, K.C., LL.D., Attorney-General and Minister of Justice.

Union of South Africa.

The Honourable F. S. MALAN, Minister of Education.

Mr. H. W. JUST, C.B., C.M.G., Secretary to the Conference.

"That the Imperial Government should consider in concert with the Dominion Government whether and to what extent and under what conditions it is practicable or desirable to make mutual arrangements with a view to the enforcement in one part of the Empire of commercial arbitration awards given in another part."

The CHAIRMAN: Mr. Sydney Buxton has asked me to express to you his regret at his inability to be present; he has to attend in the House of Commons, and cannot possibly get away, and he has asked me to take the Chair in his stead. The matter which we have to discuss in this Committee is the resolution: "That the Imperial " Government should consider in concert with the Dominion Governments whether " and to what extent and under what conditions it is practicable or desirable to " make mutual arrangements with a view to the enforcement in one part of the " Empire of commercial arbitration awards given in another part." The substance of the matter is, I think, best put if we consider what the practice is in the procedure in this country with which I am most familiar—more familiar than I can be, of course, with the procedure in the Dominions, as to the enforcement of commercial awards.

What has happened, which led to this resolution, is that, both in the Chambers of Commerce in this country and the International Law Association, it has been mooted that it would be desirable that awards in commercial arbitrations—and it is confined to commercial arbitrations—should be or might be enforced in one part of the Empire although they may have been given in another part of the Empire. In this country you can enforce an award which is given in an arbitration without bringing an action and without getting an Order of Court, except that you must go to a judge

to get his leave upon an originating summons, and then once he has given his leave that award is enforceable just the same as a Judgment of the High Court, or as an Order which is made by the High Court. The effect of it is that although it is a decree which is made by an arbitrator under the assent of both parties to the arbitration it becomes enforceable just like a judgment. The object of that, of course, is to simplify procedure, to save time, and to save expense.

Sir WILFRID LAURIER: Might I interrupt you to ask what is the procedure? You say that an award is enforceable as a judgment; to whom does a judgment go in this country—to the sheriff?

The CHAIRMAN: If he is to issue execution upon it.

Sir WILFRID LAURIER: Would it be the same thing here?

The CHAIRMAN: Yes; the same thing if you have an order of the judge.

Sir WILFRID LAURIER: What is the order—just that it is enforceable?

The CHAIRMAN: Yes; the summons comes before him that the award should be enforced like a judgment under the Arbitration Act.

Dr. FINDLAY: That is the rule in most of the oversea countries, and in most of the Canadian Provinces; for instance, it is the rule in two of the Eastern Provinces.

Sir WILFRID LAURIER: The rule varies very much in our Provinces, but I wanted just to understand the procedure here.

The CHAIRMAN: It does vary.

Dr. FINDLAY: Our Act is the same as yours.

The CHAIRMAN: That proposal is only possible with regard to awards made in a submission to arbitration which is made here and which is enforced here. Of course we cannot enforce an award in Canada any more than Canada can enforce an award here. The only possibility of putting it into effective practice then is to bring an action upon it. In all countries so far as I gather from the Reports that have been made—in fact I do not quite understand how it could be otherwise except under special legislation—if we in this country wished to enforce an award in any one of the Dominions we should have to bring an action upon that award in the Dominion in order to recover the money from the person against whom the award is made.

Mr. FISHER: Then the action itself would have to determine whether you would get it?

The CHAIRMAN: Yes.

Mr. FISHER: You would have no distinct advantage in having the award?

The CHAIRMAN: None, except that you have some advantage in having had the matter determined by the award, and bringing your action upon it. Of course time and money would be expended in the bringing of an action, and I think the great objection to having to bring an action is that it enables persons who do not mean to pay and do not want to pay, to raise all kinds of questions by means of chicanery or otherwise, so getting time and putting the other party to considerable expense. Both for commercial morality and, I think, on the broader principle of uniformity of procedure throughout the Empire, it would be very desirable if we could arrive at an agreement as to what should be done, because we should have to consider various details of procedure before anything effective could be done. All that is being asked

at the present moment—I am particularly anxious that the Committee should understand that—is that this resolution should be agreed to if you think fit. That the Imperial Government should consider it in concert with the Dominion Governments, and then see by discussion between us what can possibly be done and what form the legislation should take, because we should have to have legislation in this country and I think it would be necessary to have legislation in the Dominions also.

Mr. MALAN: Have you a system here of getting the award of the arbitrator confirmed by Order of the Court?

The CHAIRMAN: Yes, both under our Arbitration Act and under our Rules of the Supreme Court.

Mr. MALAN: Have you a system here of getting the award of the arbitrator

The CHAIRMAN: No.

Mr. MALAN: Would not that be a simple way of doing it?

The CHAIRMAN: You mean could we do that?

Mr. MALAN: Yes.

The CHAIRMAN: I agree it would be a very simple way of doing it, if you once have agreement that it shall be done. What we do with regard to Scotland and Ireland may be of some assistance. We have the Judgments Extension Act of 1868 under which we have a very simple procedure of registration of a judgment of this country in Scotland or in Ireland and *vice versâ,* and the moment you have that registration then the judgment is as effective, for example, in Scotland as if it had been given in Scotland, although it is only given in this country. It is upon those lines I should suggest that we should consider, if you accept this Resolution, whether in any legislation of that kind, extending an Order which is made to enforce the award to the Dominions which would agree to it, we should not have recourse to the same kind of procedure and practice.

Mr. MALAN: We had something similar in South Africa before the Union. Now we have one Supreme Court and the Order of one Provincial Division runs in the other Province, but before that we had something very similar. I think, if we limited our machinery to the enforcement of an Order of Court outside the country in which the Order was taken, that would be effective. I do not know that we could go so far as to recognise an Arbitration Award outside a Court of Law, but if the Arbitration Award is once confirmed by a Court of Law of recognised standing, then if that Order is confirmed in a Court of Record, I think it might be worked.

Dr. FINDLAY: What, I take it, is suggested is that the provision existing in New Zealand with regard to awards made in New Zealand should be made applicable to awards made—under agreement, of course—here in the United Kingdom. An award may, with the leave of the judge, be enforced in the same way as a judgment or any other Order of the Court. Now why should not the production of an award made in the United Kingdom by the leave of your judge or ours be enforced in the same way as a judgment or Order of the Court?

Mr. MALAN: For one thing it will lead to complicated inquiries from time to time as to whether this arbitration was a legal arbitration, and whether the two parties were agreed, and so on. If it be an Order of Court, and you know the standing of that Court, the thing is simple.

Sir WILFRID LAURIER: Let me try to understand what is your Act? Your Act at the present time is that when two parties go to arbitration the award can be presented to a judge, and the judge practically endorses it or gives a fiat upon it.

The CHAIRMAN: Not necessarily, but he can.

Sir WILFRID LAURIER: Then the award is made in the arbitration between the two parties. There is nothing on the record besides the signatures of the two parties, and the award is not under the signature of a public officer either, but of a private individual. You present that award to a judge. Is that application *ex parte,* or by notice to the other side?

The CHAIRMAN: On summons by notice.

Sir WILFRID LAURIER: And upon that summons cause has to be shown why this order should not be made?

The CHAIRMAN: Yes.

Sir WILFRID LAURIER: When all this has been done I see no reason why when an award comes of that kind with judicial sanction, it should not be enforceable anywhere else in any of the self-governing Dominions. The principle is all right, and, for my part, I sincerely favour it. The only objection, so far as Canada is concerned, is that the Canadian Parliament could have no control over it. This is a matter which would have to be relegated to the Provinces. It would only be enforceable by the legislation of any of the Provinces; but, for my part, I favour the Resolution, and if passed and sent over we would certainly try to have it considered favourably by the different Legislatures.

Mr. FISHER: We are in the same position. The Commonwealth, I think, could not deal with this matter, but it would be entirely for the States to legislate upon it. I understood you to say that it was to be limited to commercial arbitration awards.

The CHAIRMAN: Yes.

Mr. FISHER: Have you any idea how many of that kind of awards there are?

The CHAIRMAN: No; it is very difficult to say.

Mr. FISHER: There are some?

The CHAIRMAN: Yes, there are a great many. I have experience of a great many.

Dr. FINDLAY: Yes. We have had this situation: A technical defence lodged, and a Commission to England, causing a delay for eighteen months, in a case where there was no real defence at all.

Mr. FISHER: Have you any idea how many cases there are or have been where one of the parties is out in the Dominion.

The CHAIRMAN: No; I think it would be very difficult to say that. A good many awards would be taken up, and would not require enforcing at all because the parties pay or act upon the awards without an order of the judge.

Mr. FISHER: There is some reason for bringing it forward.

The CHAIRMAN: Yes; the reason is, because the Chambers of Commerce are desirous that it should be done, because they have found actually in their commercial relations that it is to them rather a serious matter. That is the point of it. That is why it is confined to commercial arbitrations; and also, I conceive, there would be a good deal of difficulty in enforcing awards in other arbitrations. For example, arbitrations which take place under an order of our courts, or in consequence of some statute that we have here. All we seek is, if you have two parties to an agreement to refer some commercial matter to arbitration, that once the award has been

given and the judge has pronounced that it should be enforced in this country, we should be able to enforce it in your Dominions; and we propose that we should give exactly the same facility to any awards which are enforced by order of a judge in your Dominions.

Dr. FINDLAY: We had a discussion upon quite an analogous matter in this Conference, and that was with regard to reciprocal legislation for the recognition of orders in certain cases of destitute persons. It seems as you will require to give effect to what is proposed here, the principle might be extended a little further than merely commercial awards. We unanimously adopted a resolution in favour of some step being taken to give mutual recognition to orders in such cases as I have mentioned. Mr. Fisher was strongly in favour of that view.

The CHAIRMAN: It would be worth while considering also, although it does not come within the province of this Resolution, whether some steps could not be taken to enforce judgments, as we do with regard to Ireland and Scotland.

Dr. FINDLAY: As I was urging upon the Conference the other day, the over-sea Dominions are treated largely as if we were foreign countries. While we are talking about the unity of the Empire uniformity in these matters is very desirable.

Sir WILFRID LAURIER: It is practically the same thing. An award is a thing which is not a record. It becomes a record when presented to a judge, and then, when it is a record, there is no reason why it should not be treated as a judgment.

Dr. FINDLAY: Unfortunately we do not treat judgments as we ought to.

The CHAIRMAN: This will be a beginning.

Dr. FINDLAY: A judgment obtained here in England, with all the proper preliminaries of judical inquiry, is not recognised in New Zealand.

Sir WILFRID LAURIER: This is simply a corollary of the proposition we had the other day.

Dr. FINDLAY: I think we ought to extend the principle.

Sir WILFRID LAURIER: I think we can accept this Resolution.

Dr. FINDLAY: Yes; and if possible we should like it extended to other cases.

The CHAIRMAN: I agree entirely, and I think if we can arrive at an agreement with regard to this, and put it into actual effective shape we shall have gone a long way towards getting uniformity in legal procedure and practice in our countries which would be very valuable.

Dr. FINDLAY: It is a thing which one practising in the law recognises the value of. Do you agree, Sir Wilfrid?

Sir WILFRID LAURIER: Yes.

The CHAIRMAN: Are you all agreed upon the Resolution?

Mr. FISHER: I have no objection. All we can do is to recommend it to our States.

Dr. FINDLAY: Had we not better add to what is proposed here some further recommendation to the Conference, on the principle of our recommendation that recognition of a judgment be also provided for by legislation?

The CHAIRMAN: I should also be favourable to that, but there is a technical difficulty in our dealing with it in this form.

Dr. FINDLAY: I shall have the opportunity, when the Report is brought up, of dealing with it at the Conference.

Mr. MALAN: Will you read the Resolution again?

The CHAIRMAN: "That the Imperial Government should consider, in concert with the Dominion Governments, whether, and to what extent, and under what conditions it is practicable and desirable to make mutual arrangements with a view to the enforcement in one part of the Empire of commercial arbitration awards given in another part."

Mr. MALAN: Would you say "arbitration awards confirmed by an order of the court," because I attach rather great value to that. It must not be just a private arbitration, or an arbitration which is not recognised, but there must be an order of the court.

The CHAIRMAN: May I point out the Resolution says "whether, and to what extent, and under what conditions it is practicable and desirable to make mutual arrangements"? So, of course, the point which you are raising would come up for discussion.

Mr. MALAN: Would you have any objection to add "awards of commercial arbitrations confirmed by an order of the court"?

Dr. FINDLAY: That is one of the conditions to be considered when the Resolution is acted upon.

The CHAIRMAN: I suggest that you should not put that in, because you immediately get to what is meant by "confirmed by an order of the court." It will come up for discussion, no doubt, in regard to "under what conditions" it is to be effected; and certainly I agree with the view expressed by you, that it ought to be after a judge in a particular country, either in yours or ours, has expressed his view that in that country in which the award is made it should be enforced.

Dr. FINDLAY: I agree with that view too.

Mr. FISHER: Would it be out of place to ask why you do not wish to apply it to other arbitration awards?

The CHAIRMAN: The chief reason why we have confined it to a commercial arbitration award is because it rests upon a submission to arbitration by agreement in writing between two business men or business firms. They have come to a conclusion that they want to have some matter decided by the award of an arbitrator; and it is in particular in regard to commercial matters that you get this question arising between the various parts of the Empire. The other arbitrations which arise in this country may be upon an oral submission, which is not likely to occur where you are dealing with an award which you would have to enforce in a Dominion, and indeed there are other difficulties in that, because you cannot enforce an award made on an oral submission as you can on a written agreement. Further than that, there are the particular kinds of arbitration to which I referred just now, which I do not think ought to be at present considered in the same relation as commercial arbitrations—that is, arbitrations which take place by order of a judge in the country in an action which comes before him. For example, if I have a dispute with a builder the judge may say: "I shall refer this to some special arbitrator whom I will appoint"—a person who is not a member of the court and not a judge. That is one kind. There is another kind of arbitration which arises under an Act of Parliament. We have certain Acts of Parliament which say that any dispute as to a certain matter shall be

referred to arbitration. That, again, does not stand quite in the same category as these commercial arbitrations, which rest entirely upon agreement between two business men to have their dispute settled outside the court by a person either to be agreed upon or nominated. I will take it that we are all agreed upon this Resolution.

Dr. FINDLAY: Yes, we agree.

(The Resolution was agreed to.)

TENTH DAY.

Friday, 16th June, 1911.

The Imperial Conference met at the Foreign Office at 11 a.m.

Present:

The Right Honourable H. H. ASQUITH, K.C., M.P. (President of the Conference).
The Right Honourable L. Harcourt, M.P., Secretary of State for the Colonies.
The Right Honourable D. Lloyd George, M.P., Chancellor of the Exchequer.
The Right Honourable Sir E. Grey, M.P., Secretary of State for Foreign Affairs.
The Right Honourable Sydney Buxton, M.P., President of the Board of Trade.
The Right Honourable H. Samuel, M.P., Postmaster-General.

Canada.

The Right Honourable Sir Wilfrid Laurier, G.C.M.G., Prime Minister of the Dominion.
The Honourable Sir F. W. Borden, K.C.M.G., Minister of Militia and Defence.
The Honourable L. P. Brodeur, K.C., Minister of Marine and Fisheries.

Australia.

The Honourable A. Fisher, Prime Minister of the Commonwealth.
The Honourable E. L. Batchelor, Minister of External Affairs.
The Honourable G. F. Pearce, Minister of Defence.

New Zealand.

The Right Honourable Sir J. G. Ward, K.C.M.G., Prime Minister of the Dominion.
The Honourable J. G. Findlay, K.C., LL.D., Attorney-General and Minister of Justice.

Union of South Africa.

General the Right Honourable L. Botha, Prime Minister of the Union.
The Honourable F. S. Malan, Minister of Education.
The Honourable Sir David de Villiers Graaff, Bart., Minister of Public Works, Posts, and Telegraphs.

Newfoundland.

The Hon. Sir E. P. Morris, K.C., Prime Minister.

Mr. H. W. Just, C.M.G., Secretary to the Conference.
Mr. M. W. A. Robinson, Senior Assistant Secretary.
Mr. A. B. Keith, D.C.L., Junior Assistant Secretary.

THERE WERE ALSO PRESENT.

The Right Hon. C. E. HOBHOUSE, M.P., Financial Secretary to the Treasury;
LORD LUCAS, Parliamentary Under-Secretary of State for the Colonies;
Sir FRANCIS HOPWOOD, G.C.M.G., K.C.B., Permanent Under-Secretary of State for the Colonies;
Sir C. P. LUCAS, K.C.M.G., C.B., Assistant Under-Secretary of State for the Colonies;
Mr. A. LAW, C.B., Foreign Office;
Sir H. LLEWELYN SMITH, K.C.B., Permanent Secretary to the Board of Trade;
Sir WALTER HOWELL, K.C.B., Assistant Secretary to the Board of Trade;
Captain Sir A. J. G. CHALMERS, Board of Trade;
Sir M. NATHAN, G.C.M.G., Secretary to the Post Office;
Mr. E. W. FARNALL, Assistant Secretary to the Post Office;
Commander FOAKES, R.N., General Post Office;
Rear-Admiral Sir C. L. OTTLEY, K.C.M.G., M.V.O., Secretary to the Committee of Imperial Defence;
Mr. ATLE A. HUNT, C.M.G., Secretary to the Department of External Affairs, Commonwealth of Australia;
Mr. J. R. LEISK, Secretary for Finance, Union of South Africa; and
Private Secretaries to Members of the Conference.

TREATIES.

"That His Majesty's Government be requested to open negotiations with the several Foreign Governments having treaties which apply to the Overseas Dominions with a view to securing liberty for any of those Dominions which many so desire to withdraw from the operation of the Treaty without impairing the Treaty in respect of the rest of the Empire."

Sir WILFRID LAURIER: The first resolution which the Conference has to deal with this morning is the resolution of which I gave notice some days ago, and which is in these words: "That His Majesty's Government be requested to open negotiations with the several Foreign Governments having treaties which apply to the Overseas Dominions with a view to securing liberty for any of those Dominions which may so desire to withdraw from the operation of the treaty without inpairing the treaty in respect of the rest of the Empire." This resolution has been before the public for some time, and it has occasioned a good many comments in the Press, some of them of rather an adverse character. Some of the articles which I have noticed in the Press of London were rather excited; others were fair and reasonable, and amongst others my attention was called to a historical review in "The Times" issue of Wednesday, June 7th. That is a very fair, and, I think, accurate, and on the whole very impartial, article, though I do not agree with the conclusion to which it has come. The conclusion to which it has come is summed up in the last paragraphs, and it is as follows:—"Obviously, Sir Wilfrid Laurier's new resolution, although in a sense it only carries on the policy of Lord Salisbury's Government in 1897, conflicts absolutely with the principle upon which that policy was based. The principle of commercial unity, for the sake of which Lord Salisbury denounced the German and Belgian treaties, and which is manifestly essential to the maintenance of Imperial co-operation, would have to be abandoned if the Governments of the Empire of their own accord decided to adopt separate systems of commercial relations with foreign

Powers. Denunciation of the existing most-favoured-nation treaties, even if followed by their resumption on terms, allowing Canada or any other Dominion to stand out when it is so desired, could only have the gravest results, since it would destroy for good and all the principle of commercial unity within the Empire re-established by Lord Salisbury and since accepted by the United States." The author of this article has forgotten the circumstances which brought forth this motion of which I gave notice. Our colleagues from Australia represented that the Commonwealth had passed some years ago a preferential tariff to be applied to British products, but to British products only coming through in British bottoms, but they found themselves debarred from proceeding with their intention on account of some old treaties which did not admit of the intention which they had. In other words, His Majesty's Government could not allow this trade to be carried out exclusively in British bottoms, because the same preference, I imagine, would have been claimed by other nations. Therefore, the Commonwealth of Australia finds itself to-day in exactly the same position in which the Government of Canada found itself in 1897 when it introduced the policy of preferential tariffs. We were determined to give to the products of the Mother Country in our markets a preferential tariff; but we found that, by some existing treaties with Germany and Belgium, we could not extend that privilege to the Mother Country unless, under those treaties, Germany and Belgium were also permitted to participate. Upon our representations these treaties were denounced. To-day the Commonwealth of Australia is in exactly the same position. It wants to give preferential treatment to the products of the Mother Country when they are brought in British ships, but they find they are debarred from carrying out this intention on account of some old treaties.

Those who object to this Resolution to-day cannot object to that aspect of it. But it is asserted, on the other hand, that the same privileges may be claimed by the other Dominions which, like Canada, may suffer from the treaties in which there is a stipulation as to the most-favoured-nation treatment. Well, it is a poor rule which does not work both ways, and if it works advantageously in one case it ought to work advantageously in each case. No one can object to Australia, if it chooses, giving the preference which it wants to give, and limiting it to the products carried in British bottoms, and everybody would agree if there is a treaty which prevents Australia from carrying out that intention—which I would call a very laudable intention—it ought not to stand any more in the way of that intention than the treaties with Germany and Belgium in 1897 were allowed to stand against Canada.

But, on the other hand, there are treaties with other nations, it is stated, in which there is a stipulation which goes to say that any preference given by one Dominion must be extended to those nations. There are 12 of these treaties existing to-day so far as Canada is concerned. I have not them all at the present time at the tip of my tongue, but I remember there are treaties with Argentina, Austria-Hungary, Bolivia, Columbia, Denmark, Norway, Sweden, Switzerland, and two or three others. Our trade with those nations is very insignificant, and we are not really affected by those treaties at all. If we gave a preference, for instance, to the United States, we might have to give it to those nations also; but we have not any trade with them; therefore, the matter is not one of any practical moment, but the existence of such a treaty might be a serious obstacle in any trade development that we contemplated in Canada, and therefore I think it is well we should pass this Resolution. The gist of the objection which is made here is, that if this is allowed this would destroy for good and all the principle of commercial unity. I do not know at the present time what principle of commercial unity exists, in view of the different tariffs of the Mother Country and the Dominions. The United Kingdom's own tariff is a Free-Trade tariff. All the other communities represented at this Board have not that fiscal policy. They have different fiscal policies, all based upon the principle of raising the revenue by Customs duties; but not two tariffs in any of the Dominions represented at this Board agree; every one is different from the other. All

agree in principle, that is to say, that the revenue is to be collected by means of Customs duties, but they differ as to the articles on which duty is to be imposed. Now, when we recognise this primary fact that there is not absolute commercial unity but commercial diversity at this moment in the British Empire in so far as fiscal legislation is concerned, it is not difficult to follow the consequences of the Government in the United Kingdom making a treaty which suits its own views and its own requirements, but which will not suite the requirements of Australia, or of South Africa, or of New Zealand, or of Newfoundland, or Canada. Therefore, the principle is no longer at issue; it has been conceded long ago, and it has been recognised that there should be that trade diversity or commercial diversity in the matter, not only of fiscal legislation, but the corollary of fiscal legislation—commercial treaties. I referred to it the other day. The matter is as plain as noonday. It is well known by everybody. The principle is now accepted by the United Kingdom, that whenever they negotiate a treaty they apply that treaty to the United Kingdom alone, and will not apply it to the self-governing Dominions except with their consent. His Majesty's Government to-day, when they negotiate a treaty, stipulate that it shall apply to the United Kingdom, but shall not apply to the self-governing Dominions, unless it is accepted by them. That has been the policy, not of this year nor last year, but it has been the universal policy followed upon every occasion for the last 15 years at least. Here is a very concrete example. We have had a treaty with Japan negotiated some 15 years ago. Canada accepted to come into that treaty. I do not think Australia did, nor New Zealand, nor any of the other Dominions except Canada. The treaty had been negotiated for the United Kingdom. It suited the policy of the United Kingdom. It so happened it suited our policy; but it would not have suited New Zealand or Australia, and, therefore, they were not tempted to join in it, and would not join in it. The treaty has been denounced by Japan, and a new treaty has been negotiated which is altogether for the benefit and the advantage of the United Kingdom, and to that we do not object. It has new features which make it not acceptable to us in Canada, and His Majesty's Government therefore would not suggest that we should accept it; on the contrary, they have left it to us whether we should come into the new treaty or not, and we have determined not to come in. That, therefore, shows that whether it is right or wrong—and I think it is all right in the circumstances of the British Empire such as they are to-day—this diversity should be acknowledged. It is acknowledged in fiscal legislation, and it is acknowledged in the consequences of fiscal legislation in all the new treaties that are negotiated. If we find that there is a bar to our development in the old treaties, why should not the old treaties be treated as the new treaties are? So far as I understand this principle is acceptable to His Majesty's Government. Therefore it seems to me that instead of making for separation, as is suggested in some quarters, on the contrary it makes for closer union in this: that they recognise there are differences of opinion between the different parts of the British Empire, which had better be recognised in fact as they exist. In insisting upon this Resolution which was accepted the other day, as I understood, by all the Dominions here present, for my part, I am very emphatic in saying that it should be coupled, and I have no hesitation in making it as broad as possible, with three propositions. First of all I think we are all agreed in this: that the policy of the self-governing Dominions represented here should be, in their first efforts, to develop their trade as far as they can go with the Mother Country, and give every facility possible to make it closer year by year as years go on. The second proposition is that though that should be our first effort it does not follow that we should confine our efforts to the British market alone, but our second effort should be to develop our trade with other nations with which we can trade. The third proposition is that in all arrangements which may be made with other nations by the self-governing Dominions, all advantages and all benefits that are given to those other nations should be given also, not only to the

Mother Country, but to all the other Dominions which comprise the British Empire. In other words, if, for instance, we make a tariff arrangement with the United States, every privilege which we give to the United States we should be prepared to give to the Mother Country and to the other Dominions. Therefore, I beg to move the Resolution which is now on the paper.

Mr. FISHER: I support the Resolution. It seeks the amendment of treaties which restrict the self-governing powers of the Dominions. The difficulties in the way of doing that are present in the mind of the Government. Relief is desired as early as it is possible to secure it by negotiations with the foreign countries concerned.

Sir JOSEPH WARD: I agree with the Resolution submitted by Sir Wlifrid Laurier. It appears to me that in the matter of the old treaties the opportunity should be given to the respective countries to negotiate through the Imperial Government—as I assume it would be—with a view to a better arrangement being given effect to than exists at the present time. It is not necessary for me to do more than say I concur in the proposal Sir Wilfrid Laurier has submitted.

General BOTHA: I concur in the Resolution.

Sir E. MORRIS: I am entirely in favour of the Resolution as put forward by Sir Wilfrid Laurier; but I should just like to ask one question. I gather from his argument that this Resolution applies more to commercial treaties—trade treaties, really—but the Resolution suggests that negotiations be taken up with foreign Governments in relation to every treaty. Now, there are many treaties that exist to-day in relation to questions of territory and certain territorial rights, such as the marching of armies, and the like. There must be hundreds of treaties that this Resolution is not intended to affect. So I suggest a slight alteration in the Resolution, if it is considered necessary, but I take it that it refers merely to trade.

Sir WILFRID LAURIER: Commercial treaties.

Sir E. MORRIS: Purely commercial treaties or matters of trade.

Mr. HARCOURT: Put in the words "commercial treaties."

The PRESIDENT: Sir Edward Grey will say something on behalf of His Majesty's Government.

Sir E. GREY: The Resolution is one which I think from the facts of the case it is clear should be accepted, because, as Sir Wilfrid Laurier has pointed out, the mere fact that for some 15 years—I take the time from him—the necessities of the case have required that in negotiating commercial treaties between the United Kingdom and other countries option should be left to the Dominions to adhere or to withdraw shows that the modern state of things which now exists in consequence of the developed separate fiscal systems of different parts of the Empire is something which is different from the old state of things when older treaties were negotiated. Therefore it is only natural that, as without exception for some 15 years, every new treaty of commerce which has been negotiated has been arranged on those lines with an option to the Dominions, it follows that a number of the old treaties which do not contain this option must be felt to be embarrassing. If it had not been that they were felt to be embarrassing by different parts of the Empire, this practice of making special arrangement for option in new treaties would never have come into force at all. The mere fact that it has come into force means that the older treaties have been found to be embarrassing, and not to give sufficient elasticity. As a matter of fact, the question has been opened already. It was opened at the request of the Commonwealth of Australia last year with the Government of Italy and with the Government of Austria. The Government of

Italy, when they were approached, replied by saying that they could not see their way to modify the existing treaty in a way which would give the Commonwealth of Australia freedom to withdraw from it, and they ended up by saying: 'The Royal Government' (the Italian Government) 'cannot therefore see that such withdrawal is possible, and in their opinion it must remain dependent on the denunciation of the treaty by Great Britain, which is undesirable in the interests of both countries.' So the point of view which the Italian Government took up was that they could not modify the existing treaty, but if power to withdraw was to be given it would mean denouncing the existing treaty with Italy and negotiating an entirely new treaty. We approached the Government of Austria-Hungary, and they took up rather a different line. The answer we got from our ambassador was: 'I have now received a request from the Minister of Foreign Affairs at Vienna that in order to be able to determine their point of view in this matter, they may be informed on what grounds the Government of the Australian Commonwealth wishes to withdraw, and whether the Commonwealth intends to do likewise in respect of other States, and whether the object is to prepare a way for a preference treatment of British vessels as against those of other nations? They also consider it important to know whether the Commonwealth would be ready to conclude a new Navigation Treaty with Austria in the event of their right being conceded to withdraw from the 1868 Treaty.' The Colonial Office in April last year sent this to the Government of Australia, and ended up by saying: 'I should be glad to learn in due course what reply your Ministers would desire to be returned to the inquiries of the Austria-Hungarian Government.' I do not think any reply has been yet sent to that inquiry: thus, so far as Austria-Hungary is concerned, the negotiations remain suspended, the Austrian Government have asked certain questions, and meanwhile have not received the information. With regard to Italy it is different: they have stated distinctly that they think the only course would be to denounce the existing treaty and negotiate a new one.

Certain words, I think, are put into the resolution which contemplate that it might be very inconvenient to denounce existing treaties which have considerable benefit perhaps for several parts of the Empire before we have secured a new arrangement, and that to denounce existing treaties and to leave the whole of the British Empire in the air, so to speak, or suspended so far as commercial relations are concerned, might result in considerable inconvenience to the Empire generally, owing to a step which had been taken on behalf of one particular portion of the Empire. So I think the limiting words in the resolution—'without impairing the treaty in respect to the rest of the Empire'—are important. But I think we might meet the case very well by agreeing to open negotiations with those countries with whom treaties exist which are now felt to be embarrassing, asking them whether they would be prepared to modify the treaties which now exist so as to bring them into accord with the principles on which all our treaties for the last 15 years at least have been made, and bring them up to date, so to say. If they will agree to do that the course is quite simple; we would then proceed with the modification of the treaty which would leave the old treaty in existence, but in a form which was brought up to date. But supposing they adhere to the line, for instance, taken by the Government of Italy, that they cannot alter the existing treaty, and it would require the negotiation of a new treaty, then I think the best course of procedure would be to enter upon the negotiations for a new treaty with the foreign country in question, but without denouncing the existing treaty. We might then proceed with those negotiations for a new treaty in which we would make one of the articles to the effect that when that new treaty came into force it would abrogate the old treaty; but supposing the negotiations were protracted, and we found more difficulty than expected in arriving at a satisfactory conclusion of a new treaty, the old treaty, with such benefits as it

contained, would still remain in force, and their would not be the risk of our having denounced an old treaty, the old treaty coming to an end, and our having found insuperable difficulties in the way of negotiating any new treaty, and having that unsatisfactory state of uncertainty existing as to what the commercial relations were going to be with the foreign country, which is always very much resented by trade. So what I would propose is that we should accept the Resolution with the intention of opening negotiations as soon as possible with the particular countries whose treaties are now out of date, and that we should make them the proposal in the first instance which I have suggested—that they should alter the existing treaties to bring them up to date, and, if that is found impracticable, that we should then ask them to open up negotiations for a new treaty; but the old treaty to remain in existence until the new treaty had been concluded. I ought to say I think negotiations for a new treaty would take considerable time, in some cases at any rate, because in the case of these old treaties there are some provisions which are convenient to us and to which we appeal from time to time to these foreign countries, but which are no longer so convenient to them as they were at the time they were framed; and, therefore, it is quite possible that when we ask them to negotiate new treaties because we wish to bring up this point which we consider essential to us arising out of modern conditions, they may find certain other points which are convenient to them which they also may wish to bring up. But that is no reason why we should not begin the negotiations. I only mention it now to prevent disappointment.

Mr. FISHER: Can you give any indication in years of what you mean by a considerable time?

Sir E. GREY: I do not mean geological periods of time, but a year is a good long time for negotiations, of course.

Mr. FISHER: Anything like that—a year or two.

Sir E. GREY: If you cannot bring a thing to a conclusion in a year or two, providing you are negotiating earnestly, it rather points to the fact that negotiation is impossible.

Mr. FISHER: If all you mean is a year or two, that is all right.

Sir E. GREY: If we cannot bring it to a conclusion in a year or two it looks as if the negotiations would never result in anything, and we should have to consider the situation afresh; but I do not think we need contemplate that until we have found negotiation impossible. It would follow from the Resolution that we should begin negotiations, and if we find those impracticable the next Imperial Conference would have to consider the situation as we find it then. We will make the best use of the time we can for negotiation in the intervening years before the next Conference.

The PRESIDENT: It appears to be the unanimous wish of the Conference that this Resolution should be carried and put on record. Perhaps I may be allowed to say that we have had a very frank as well as interesting discussion.

Mr. FISHER: Is it not the case that the Austria-Hungarian Treaty and the Italian Treaty are almost interlaced with each other, which makes it somewhat difficult to denounce the one without the other?

Sir E. GREY: I am not sure about that, but in any case those are two of the countries with which we should proceed with negotiations simultaneously.

Mr. BUXTON: The Austria-Hungarian Treaties are of 1858 and 1876, and the Italian Treaty is of 1883.

The PRESIDENT: I suppose, from your point of view, those are the two most important countries.

Mr. FISHER: It would not be a great advantage to have the one without the other.

Sir E. GREY: To show how inevitable it is that this question must have come up Sir Wilfrid mentioned 12 countries—he did not go all through them by name—with which there were treaties which he felt to be restrictive to Canada. Amongst those 12 countries that are included in the list I have Denmark and Sweden. One of the treaties with Sweden, I believe, was made by Oliver Cromwell, and the treaties with Denmark were made in the time of Charles II. I only give that as an illustration of how inevitable it is that the question should arise.

The PRESIDENT: It was not possible then to safeguard Canadian interests.

Commercial Relations and British Shipping.

Australia.

"That this Conference, recognising the importance of promoting fuller development of commercial intercourse within the Empire, strongly urges that every effort should be made to bring about co-operation in commercial relations and matters of mutual interest.

"That it is advisable in the interests both of the United Kingdom and of the British Dominions beyond the seas, that efforts in favour of British manufactured goods and British shipping should be supported as far as it is practicable."

Sir WILFRID LAURIER: Perhaps Mr. Fisher will allow me to make an observation about the two next Resolutions on the Paper to-day, which come from Australia, which are in these words:—First, "That this Conference, recognising the importance of promoting fuller development of commercial intercourse within the Empire, strongly urges that every effort should be made to bring about co-operation in commercial relations and matters of mutual interest." Secondly, "That it is advisable in the interests both of the United Kingdom and of the British Dominions beyond the seas that efforts in favour of British manufactured goods and British shipping should be supported as far as it is practicable." I may observe that, for my part, and speaking for the Government which I and my colleagues here represent, we are in complete sympathy with the object which it is sought to attain by these two Resolutions. The only observation which I have to make at the present time is that unless they are supplemented by something more tangible I am afraid that they would not lead up to such immediate results as we would hope for. The commercial relations which exist to-day between the different parts of the British Empire, the Mother Country, and the Dominions, have been very much the results of haphazard, and never the consequence of any initial movement on the part of anybody or of a regular review of the situation as it exists in the different countries. We are all pretty well familiar with the condition of things as it exists in the United Kingdom on account of its great prominence in the world at large, and especially its commercial prominence, but we are not so familiar with the conditions of things which exist in the young nations which are represented at this Board, and it is difficult to proceed to an improvement in the condition of the trade relations between the Dominions and the United Kingdom, and between the Dominions themselves, unless we have, I submit, more information than we have at the present time. The legislation which has been passed in the different parts of the British Empire by all the

self-governing Dominions has been by each one in its own direction, and there is very little attempt at uniformity, if uniformity is attainable. We passed some legislation ourselves in 1897 which has been followed by, and, I think, has been productive of, good results, when we gave a preferential tariff to the products of the Mother Country. On the other hand, in Canada we have to complain, and have complained bitterly, of some legislation of the United Kingdom which peculiarly affects a very important Canadian trade—the cattle trade. Our cattle have been subjected for many years past—for over 20 years, if my memory fails me not—to an embargo which was based upon the statement then made that there was disease in the cattle of Canada, which we denied at the time without being able to make an impression. We have protested again and again that our cattle were not diseased. We have asked that that embargo should be removed, but we have failed every time. Our protests are as old as the legislation itself, but though presented year after year, they have not met with any response. We believe that if the true condition of things were known, and if it were found out that the basis upon which this prohibitive legislation was adopted was false, the result would be different from what it is, and we should have some good reason to hope that this impediment to a very important trade would be removed. These reasons, amongst others, induce me to believe that the first thing that we should do, if we are to attain the object which is sought by the Commonwealth of Australia of promoting fuller development of commercial intercourse with the Empire, and if the transport of manufactured goods in British shipping is to be achieved, is to have more information than we have upon this subject, and endeavour to obtain as accurate and full information as it is possible to have. Therefore, I would suggest to the Conference that the first thing to be done would be to have an inquiry into all these subjects and all the connected matters. Therefore, I beg to move the following Resolution, which I venture to place before the Conference:

> "That His Majesty should be approached with a view to the appointment of a Royal Commission representing the United Kingdom, Canada, Australia, New Zealand, South Africa, and Newfoundland, with a view of investigating and reporting upon the natural resources of each part of the Empire represented at this Conference, the development attained and attainable, and the facilities for the production, manufacture, and distribution; the trade of each part with the others and with the outside world, the food and raw material requirements of each, and the sources thereof available. To what extent, if any, the trade between each of the different parts has been affected by existing legislation in each, either beneficially or otherwise."

I have left in blank the number of the members of the Commission and the proportions to be given to the United Kingdom and the different Dominions. If we agree upon the principle, this is a matter which can be settled later on by mutual conversation at this Board. What I am anxious to present at this moment is the advisability, I would almost say the necessity, before we proceed any further and before we separate, of our endeavouring to obtain all the information possible as to the trade conditions that exist now between the United Kingdom and the self-governing Dominions, not only with respect to the trade we have with the Mother Country, but the trade which there is with the different Dominions amongst themselves. By way of illustration I may say here that our relations in Canada with our brothers from Australia are not as satisfactory as they ought to be. We have been trying to get mutual preferential treatment but we have not been able to do so, and I strongly hope that such a Commission as I have indicated would find it possible to come to the end which we have not been able to reach up to the present time

Mr. HARCOURT: Gentlemen, I think Sir Wilfrid Laurier's Motion to-day is only another step in advance in the path of what has been the governing note of this

Conference—the path not of Imperial concentration, but of Imperial co-operation; and on that ground, with a slight explanatory amendment, His Majesty's Government will see no difficulty in accepting Sir Wilfrid Laurier's proposal.

The last sentence which Sir Wilfrid Laurier read—"To what extent, if any, the trade between each of the different parts has been affected by existing legislation in each"—was directed, as we saw from his remarks, more to such matters as the embargo on cattle and cognate subjects which have given some inconvenience and dissatisfaction to Canada; but the words are a little wide and might possibly be misunderstood by people who saw only the Resolution and not the discussion by which it has been accompanied; and I would propose, therefore, to add at the end of Sir Wilfrid Laurier's motion these words: "and by what methods consistent with the existing fiscal policy of each part, the trade of each part with the others may be improved and extended." The object of this is to show that this Royal Commission is not one which is launched in order to inquire into, or to make recommendations on, the policy of the Dominions or of the Mother Country; and especially these words will show that no recommendations are required on the fixed fiscal policy of the Dominions themselves or of the home country. I think if that is made clear the Commission will probably serve a most useful purpose in correlating the views of the Dominions in other trade matters and putting the whole Empire on a better basis for further co-operation between its units.

Mr. FISHER: I find no fault with Sir Wilfrid Laurier for substituting this proposition for the proposals of the Commonwealth Government; indeed I think it is a more practical way of dealing with a rather difficult set of questions, and I see no reason why the addition proposed by Mr. Harcourt should not be made, because if a Commission of this kind is to be of any service at all it should be free to look into every matter that would be likely to give full and accurate information about the production, manufacture, and distribution of wealth in the United Kingdom and the other Dominions, and it ought not to dogmatise as to the right way for each and all of them to conduct their own affairs.

I am rather pleased with this practical way out of a difficulty that exists at the present moment, and if it is approved by the Conference it may remove perhaps some of the disabilities that we quite unwillingly bear, because we do not understand the views of the other Dominions. I commend it all the more freely because I want, with the permission of the Conference, to later on submit a Resolution inviting the co-operation of the Government of the United Kingdom to allow, before the next Conference meets, some of their colleagues to visit the Oversea Dominions and see for themselves, and by that means aid and give assistance to a Commission of this kind, even if one of them cannot accompany it. I do not wish to over press that because I know the arduous duties that they perform here, but it is not out of place on a motion like this to say how much we should prize and value a visit from a responsible Minister of the United Kingdom in the distant parts of the Oversea Dominions. We feel that we lose a great deal by our not being personally known, just as we feel we miss a great deal by not being here more frequently.

It may be asked: Would it be within the powers of this Commission to inquire into the shipping arrangements and means of transport, &c.? I suppose it would be.

The PRESIDENT: Yes, clearly.

Mr. FISHER: I only mention that as one of the big questions. The reference to the Commission would be wide and general.

Mr. HARCOURT: The Resolution says: "The trade of each part with the others."

Mr. FISHER: As I read it, it is exceedingly wide and general. That it has not prescribed limits, to go into a groove, entirely suits my opinion. I believe a

Commission composed of the quality of the men who would constitute it, would largely have its labours wasted if it were circumscribed and if the reference confined the members of it to pursue their inquiries in certain grooves. Therefore I commend it all the more because that has been wiped out. I should like to go further when speaking of getting more accurate information on these matters. I do not think it would be out of place for the Government of the United Kingdom to seriously take into their consideration whether the time is not coming when even Conferences such as this, or some subsidiary Conference, dealing with matters of inter-Dominion interest, should not meet elsewhere than at the seat of Government, in London. These are matters hardly embraced within the proposition before us. Mr. Asquith smiles at the difficulty.

The PRESIDENT: All I say is that I do not think it is strictly relevant to this particular Resolution, but I am very glad to hear what you have to say about it.

Mr. FISHER: I do not want to carry that any further, but the question is whether this Commission shall be of such a character as would perhaps include Ministers, or men of the standing of Ministers, in the United Kingdom or in the Dominions, because I assure you that is an important point. I should not for one moment support a Resolution of this kind except under the belief that the men who compose the Commission shall be men of the very first order both in the United Kingdom and in the Dominions, because I assure you they will be treated with courtesy, but with indifference, unless that is so.

The PRESIDENT: We quite agree to that.

Mr. FISHER: That is what I have in my mind when I am speaking of men who are occupying leading positions in the United Kingdom, because, small as the communities of the oversea Dominions may be, they are just as proud as the proudest of those who exist in this part of the British Empire.

Altogether I think this proposal is a happy solution and a practical solution of a rather difficult question, and I hope it will commend itself to the Conference.

Sir JOSEPH WARD: I think that the proposal of Sir Wilfrid Laurier meets the position in a very practical way. The passing of either of the two Resolutions would really be a generalisation, and the outcome of them could not be of any practical use to the various portions of the Empire which Mr. Fisher in his motions was anxious to help. I recognise that a precedent to what is required in order to have practical results achieved is a very extended inquiry, and I think that Sir Wilfrid Laurier's proposal is a happy solution of what was intended to be achieved under the Resolutions submitted by the Commonwealth of Australia. What Sir Wilfrid Laurier is proposing is to my mind exceedingly important. I believe, after we have obtained the results of the Commission proposed under this Resolution for investigating and reporting upon the national resources of each part of the Empire, we will all be in a better position to deal with matters which, to a very large extent, can otherwise only be in the air respecting the different portions of the Empire; and, until we have practical information before us, we are really not in a position to ask our respective Legislatures to do what may be necessary in the shape of legislation, but I should hope we will be in that position as the outcome of an investigation of the kind proposed. The suggestion as to obtaining information regarding facilities regarding production, manufacture, and distribution is exceedingly important. I do not want in any way to refer to the local aspect of the cattle trouble as applicable to Canada, which is important to that Dominion, but there are matters in my own country which could, I think, with great advantage to the Empire be improved, and none of us are in a position to come to a decision upon them unless we had the results of a Commission that would take a year or two at the very shortest to inquire all

over the Empire upon the various matters that they could, with much advantage, inquire into. If they do their work thoroughly, as I have no doubt they will do, then, I think, we ought to be able to help the development of trade very materially within the Empire. For my part I think that great care should be taken to see that the composition of this Commission is a good one, because upon that a great deal would depend. I have no doubt we shall have a little trouble in selecting suitable men in the oversea Dominions. We will have some trouble in finding men who possess the requisite qualifications, with impartial minds, as they require to have. But a Commission of the kind must be a strong and representative one. It will afford an opportunity to the other members outside the New Zealand representation of gaining experience of our affairs when passing through our country, and *vice versâ,* which would be very valuable to them and very valuable to us. The same remark applies to other portions of the Empire that it will go through. For my part I think the suggested amendment by Mr. Harcourt is one that is essential to enable us to arrive at a unanimous decision upon a question of this kind, because in all our countries the fiscal system concerns the whole of us. We are committed to our respective fiscal systems, and I think no Commission should be empowered to suggest to any of us what our fiscal policy should be.

So far as I am concerned, I most cordially support the Resolution Sir Wilfrid Laurier has moved.

General BOTHA: I agree.

Sir E. MORRIS: Yes, I agree.

The PRESIDENT: Gentlemen, I think the Conference is very much indebted to Sir Wilfrid Laurier for making this very practical proposition. It will set up, as the result of the decision of this Conference, a body whose labours will certainly prepare the way, and possibly make the way plain, for effective and practical action by the next Conference; and possibly before the next Conference meets for the legislation of the Governments of the different parts of the Empire. I think it important to emphasize that the proposed Commission is to be an advisory body with a reference as wide as words can make it, inquiring into all matters connected with trade, commerce, production and intercourse between the different parts of the Empire, and that it is not a Commission to suggest, still less to dictate, policies to the different Governments, either to the Government of the United Kingdom or to the Government of any of the Dominions. In regard to matters of policy we are, and must remain, our own masters. Nor do we seek advice; nor would it be fitting for anybody outside to tender us advice in regard to large questions either of domestic or of Imperial policy.

I entirely subscribe to what Sir Joseph Ward said just now in illustration of what also was said this morning by Sir Wilfrid Laurier. Possessing as we do in this Empire every kind of fiscal diversity, each part of the Empire, by what I conceive to have been a most happy arrangement, having been left free and autonomous in the matter, we must be allowed to pursue, as from time to time the majority of our fellow countrymen think fit, such fiscal policy as, in the opinion of that majority, is best suited to the requirements of the particular part of the Empire for which we are responsible.

Making that quite clear, let me say, in view of what Mr. Fisher said, that the intention is that this Commission should be what is called a peripatetic Commission—that is to say, that it should visit the different parts and not sit only in one. That is, I understand, Sir Wilfrid Laurier's opinion, and I entirely agree to it; and in regard to its composition, I can assure him, so far as the Government of the United Kingdom are concerned, no pains will be spared to secure the services of the ablest and

most representative men that we can, and the men that will command the greatest confidence, to sit upon it. I should be very glad, if it were possible, to adopt the kindly suggestion that a Minister of the Crown should take his seat upon it. It would be a most agreeable diversion—a change of scene, and a change of thought, and a change of occupation; but I do not know altogether how our offices would get on in our absence from this country.

Mr. FISHER: It is wonderful how they get on without us.

The PRESIDENT: You are showing us how it can be done, and if we cannot follow your example, at any rate we are very grateful for your hospitable desire to see us in Australia—a desire which has been endorsed by the other representatives as far as their Dominions are concerned, and, if possible, we should only be too happy to visit you.

Mr. FISHER: I should like to add that this is a Commission the expenses of which should not fall entirely upon the Government of the United Kingdom. I want to say on behalf of the Commonwealth of Australia, that we endorse this as a sound principle, and we hope we shall be allowed to contribute our share of the expenses of that Commission.

Sir JOSEPH WARD: I most cordially agree.

The PRESIDENT: That is a very handsome suggestion.

Sir JOSEPH WARD: Because the work of this Commission, though we have a smaller interest than Great Britain, is as much to our benefit as it is to the Homeland, and, I think with Mr. Fisher, we should each pay our share.

Mr. FISHER: It is a sound principle, I think.

Sir WILFRID LAURIER: As I say, I find no objection to adopting the amendment suggested. The reasons set forth by Sir Joseph Ward seem to be very strong on this point, and therefore I agree.

The PRESIDENT: Then it is the pleasure of the Conference, that Sir Wilfrid Laurier's Resolution, with the added words, should be adopted as the Resolution of the Conference.

Mr. FISHER: Then there is the question of the number of Commissioners.

The PRESIDENT: Leave the number open for the moment. That might be a matter for private discussion.

Mr. FISHER: Then about the expenses.

Sir WILFRID LAURIER: We need not pass a Resolution about that.

The PRESIDENT: No.

Sir WILFRID LAURIER: We are all agreed we should contribute.

The PRESIDENT: We take a note of your suggestion, and are very grateful for it.

Mr. HARCOURT: It will be on the notes.

Mr. FISHER: Under the circumstances we shall not proceed with the other two Resolutions.

ALL-RED ROUTE BETWEEN ENGLAND, AUSTRALIA AND NEW ZEALAND, VIÂ CANADA.

"That, in the interests of the Empire, it is desirable that Great Britain should be connected with Canada, and through Canada, with Australia and New Zealand, by the best mail service available. That, for the purpose of carrying the above desideratum into effect, a mail service be established on the Pacific between Vancouver, Fiji, Auckland and Sydney by first-class steamers of not less than 10,000 tons and capable of performing the voyage at an average speed of 16 knots. That in addition to this a fast service be established between Canada and Great Britain, the necessary financial support required for both purposes to be contributed by Great Britain, Canada, Australia, and New Zealand in equitable proportions."

Sir JOSEPH WARD: In order to save a double discussion, my friend, Sir Edward Morris has suggested to me that his Resolution bearing upon the establishment of a line of steamers between Great Britain and the Oversea Dominions might be taken together with mine. I have no objection to that.

At the last Conference, on the 14th May, four years ago, a Resolution was carried "That in the opinion of this Conference the interests of the Empire demand that in so far as practicable its different portions should be connected by the best possible means of mail communication, travel, and transportation. That to this end it is advisable that Great Britain should be connected with Canada, and through Canada with Australia and New Zealand by the best service available within reasonable cost. That for the purpose of carrying the above project into effect such financial support as may be necessary should be contributed by Great Britain, Canada, Australia and New Zealand, in equitable proportions." The idea at that time was to have a fast service across the Atlantic and across the Pacific, giving connection between the Old Country—and I take New Zealand as the other extremity—in about 21 days. After the Conference had dissolved, on behalf of the Government of New Zealand I advised that we were prepared to support a service such as was suggested, which I think across the Pacific was then fixed at 18 knots an hour, and to give 75,000*l.* a year. So from the practical standpoint we came right along and did our part, but I understand difficulties supervened from a financial point of view, that prevented the others doing what was necessary to enable that Resolution which I have just quoted being put into practical form. In the interval there has been a change in two important directions to which I want to allude. The existing service across the Pacific, which expires in July of this year, has been by Canada and New Zealand extended for a period of five years. At the moment Australia is not joining in that particular service, but I should very much hope to see them come into it later on. In considering this proposal now for an Atlantic service and an overland service through Canada and on across the Pacific to New Zealand, I feel it necessary to say that this Conference requires to recognize our obligations entered into across the Pacific by Canada and New Zealand for the existing service, and whatever may be done across the Atlantic, subsequently we would require to come into a faster service across the Pacific without in any way committing any breach of arrangements with the existing contractors as between Canada and New Zealand. That position presents itself, and I think it only right for me, in submitting the proposal in the Resolution I have before the Conference now, to make that position clear. In doing so I have no doubt that the existing Pacific contractors would do their part in return for reasonable payment to increase the speed across the Pacific.

Another important alteration which has taken place since the Resolution in 1907 was passed, and which to a very large extent would minimise and indeed overcome

one of the principal objections to ensuring a fast service across the Pacific, is the fact that the difficulty of coaling at various points which was alluded to during the former discussion has now disappeared as far as the Pacific is concerned, that is the certainty of using oil instead of coal; this would reduce the time between Vancouver and New Zealand, because the steamers would not require to spend the time which was formerly required for coaling at Honolulu and Fiji. With the facilities for obtaining oil, I have been assured by more than one representative shipping man that they could now give us a service across the Pacific of 20 knots an hour without any of the difficulties that presented themselves when this matter was before the Conference on the last occasion. So that in dealing with this matter now I find myself in the position of co-operating and supporting the All-Red route, which in the general interests of the oversea countries and Britain too is so very important. As far as the Pacific side is concerned, while recognizing the obligations we have for the existing contract, I can urge the establishment of an All-Red Service, and upon the expiry of the present Pacific contract (our present contractors might be disposed to enter into an arrangement to alter it of course) of availing ourselves of oil fuel with a view to having more rapid communication across the Pacific.

I want to say that in those two directions there has been an alteration since this matter was submitted to the Conference on the last occasion. I also take the opportunity of saying that I have been advised only by cable from New Zealand this morning—and this a matter which Sir Wilfrid Laurier perhaps may allow me to say one word upon—that unless there is an alteration made in the time that the Canadian Pacific Railway Service is running mails and passengers across Canada now, a day's loss as against sending the mails across the American Continent would, even under the proposals we are submitting, ensue as against the American overland route; so that, as a corollary to what is being done across the Atlantic and Pacific, there appears to be some necessity for a reduction of the time which I apprehend is possible on the overland Canadian route.

I do not propose to repeat any of the arguments I brought forward on the last occasion on the matter of what is required to carry out a service of this kind excepting to say that those arguments with the advantage of oil as against coal still hold good.

The PRESIDENT: I do not know whether it would be convenient to you, Sir Joseph, but it occurred to the Chancellor of the Exchequer and myself when you were mentioning some of the points in which the situation had changed, whether you would deal with the question of the approaching completion of the Panama Canal.

Sir JOSEPH WARD: I intend to allude to it. I want just to direct the attention of the Conference to the particular point of the Canadian rail service, because I know it is important in connection with the hastening of the service across the Atlantic, connecting as it does with the existing service we have across the Pacific. I want to impress upon the British Government particularly, that New Zealand is, I think, the only one of the self-governing Dominions that is not in the fortunate position of having a subsidized mail service outward from Great Britain in connection with any line of steamers trading between the Mother Country and New Zealand. Australia has a subsidized service, India has it, South Africa has it, and the United States of America has it. I am not talking of the subsidies given at the other end, of course, but of the British subventions to steamers carrying mails and passengers outwards from the United Kingdom. I want to impress upon Mr. Asquith and his colleagues here that we in that distant country do not want to be excluded from participating in what, from the practical point of view of bringing us closer to the old country, is so essential to us. It does seem to me that the time has arrived when perhaps that aspect of the matter might be favourably considered. We are paying for mail services to the old land, but the old country is not doing so to us and they are doing so to other countries.

I realize that the prospects in a few years from now of the opening of the Panama Canal may materially affect the whole system of connecting certainly New Zealand—it does not apply to Canada—with the Mother Country. Upon the opening of that canal it will bring us a few days at all events nearer to the old country than the existing route does. But I have got a very strong desire to see the All-Red route linking up Great Britain, Canada, and New Zealand independently of any prospect of the Panama Canal, because in New Zealand we look upon Canada as a half-way house, as a great and growing British Dominion that, in co-operation with England and with us, would obtain material benefits in many ways; and I should not be disposed myself to relinquish any effort to link up Canada with the old country, and with New Zealand of course, on the other side, on account of any prospective developments that may take place after the opening of the Panama Canal. When the Panama Canal is opened——

The PRESIDENT: When is it expected to be opened?

Sir JOSEPH WARD: In about three years from now. That is what I was told a short time ago in response to inquiries I made. In the ordinary course of things, the opening of the Panama Canal, as far as New Zealand is concerned, will raise a question beyond all doubt as to what we are going to do in the matter of some of our steam services with England, if the rates upon the Panama Canal are not prohibitive, I have no doubt whatever that a large portion of our trade with this country will be carried through the Panama Canal.

Mr. LLOYD GEORGE: Certainly the postal service will go through the Panama Canal.

Sir JOSEPH WARD: If there were fast enough steamers running that way I agree a large portion of them would, and my belief is that a great deal of our oversea traffic, independent of the postal business, will go through the Panama Canal. The All-Red route, however, to my mind, from the standpoint of what I would call British sentiment, that is permeating this country and the oversea countries too, is very strongly favoured in New Zealand. In submitting this resolution I recognize we are in the position of being by no means the principal factor, because the two countries that are the chief factors are the United Kingdom and Canada, and the larger portion of the subsidy required to make it a successful service is undeniably the one across the Atlantic, and unless the service across the Atlantic is settled as between the Home Country and the Dominion of Canada, then all the efforts to have an All-Red route extending across the Atlantic, Canada, and then across the Pacific would be practically neutralized.

I need not further elaborate upon this proposal. I have submitted on a former occasion what I conceived to be possible, a 21 days' service between Great Britain and New Zealand, if the necessary subsidies are given, and I strongly favour the proposal, and hope the resolution will be agreed to.

Mr. LLOYD GEORGE: What are the P. & O. boats—18 knots?

Sir JOSEPH WARD: They do not average 18 knots—I think it is about 15.

The PRESIDENT: You have a resolution germane to this, Sir Edward?

Sir EDWARD MORRIS: Yes, and I should just like to say a few words in relation to it. My resolution was to the point of the development of trade, and I think the statistics of the Board of Trade will show that, principally by reason of the very imperfect communication, a very large amount of trade has gone away from the Empire; 40 years ago 50 per cent of the total imports into Newfoundland were from Great Britain, and to-day I think it will be found that we do not import 15 per cent; it has fallen from 50 to 15. I was pointing out that my resolution went more

to the point that by an improved mail service and passenger service the trade might be developed within the Empire, and I was going on to say that in my opinion the falling-off in the trade as between Newfoundland and Great Britain is largely due to the want of it.

Sir WILFRID LAURIER: What country has replaced the trade of Great Britain?

Sir EDWARD MORRIS: The United States, largely owing to their greater facilities. I was coming to that. Forty years ago 50 per cent of our total imports came from Great Britain; to-day we do not import 15 per cent. That is in view of the fact that the imports have steadily increased every year during that 40 years, and during the last 10 years they have doubled. Now nearly all that trade, or a very great portion of it, has gone to the United States, the reason being principally that whilst we have only a fortnightly service between Great Britain and Newfoundland, the same service that we had 40 years ago, we have several lines of communication of different kinds between the United States and Newfoundland, and also practically a daily train service.

The memorandum which has been submitted here in relation to this matter by the General Post Office rather misunderstood the object of the resolution that I am proposing, in that it would appear that they understood that I claimed that the best service that can be made available for connecting Great Britain and Canada should necessarily touch at Newfoundland. I do not go so far as to say that, but my resolution only goes so far as to say that if a service could be established between Great Britain and Canada by touching at Newfoundland, not in the sense of remaining there to such an extent as would seriously impair the service, but merely touching as the boats touch between Great Britain and Canada at Queenstown, merely for an hour going and coming, to disembark mails and passengers. As a matter of fact, many of the lines between Great Britain and Canada go right by the coast; they nearly all pass Cape Race when they go south of the country, and with regard to the Allan boats and the White Star Lines, that go through the Straits of Belleisle, there are points in Newfoundland where they are for hours within three miles of the coast, the people can almost speak to those on board, the Strait being only about seven miles between Newfoundland and Canada, and they have to pass through that, so that it ought to be a very easy matter, with hardly any delay, to make a link by such a connexion as that.

If these figures I have quoted be correct, and if it is equally clear that the falling-off of British trade and the British connection with Newfoundland is due to the causes I have assigned, then I think it would be worth the consideration, if not of the Conference at least of the British Government, that some improvement should be made by getting a faster service, a more frequent service and a better service. This can, I think, be accomplished by an increased subsidy. We could get a very much better service to-day if we could offer the tendering companies a better subsidy. To-day we subsidise one line, the Allan Line; they have been coming there for 40 years with a fortnightly service, and we pay half the subsidy and the British Government pays the other half. It is only a very small amount, but if we were in a position to double the amount and in that way have an improved service, I am quite satisfied that a very large increase would take place in the development of trade. I should not perhaps go so far as to say that the whole of the trade that has gone away from Great Britain might be got back, but I know a very considerable quantity would.

The same is true as regards passengers and as regards persons visiting the country. Thirty years ago I do not think we had one hundred strangers visiting Newfoundland; last year we had 5,000. There has been an increase of about 5,000 in 30 years. Now of that 5,000 we had not 50 from Great Britain; they all came

from the United States and from Canada, due, as I say, to the improved service between Canada and Newfoundland, and also with the United States, to which Canada contributes with Newfoundland. Whilst I do not think that this would be the proper time to ask this Conference to pass a resolution to increase the present subsidy—because that is a matter really more perhaps for the Imperial Government and ourselves, and I have brought the matter before the proper Department—at the same time I should like to feel that the Conference would be in sympathy with any arrangement that might be made in which Newfoundland could be linked up with any All-Red route, without, of course, seriously impairing the same.

Sir WILFRID LAURIER: I have simply to say that in so far as the Government of Canada is concerned, we altogether and absolutely endorse the resolution moved by Sir Joseph Ward. We had a similar resolution four years ago passed by this Conference, but, unfortunately, nothing yet has come of it. Yesterday we discussed the All-Red route as far as telegraphs are concerned, and there, in my opinion at all events, the difficulty (I think I was right in that) lay on the Atlantic Ocean. I am afraid on this occasion when we discuss the mail route, the difficulty is on the Pacific Ocean. We have at the present time between Canada and Great Britain four lines of steamers of first importance. The Allan Line, the Canadian Pacific, the Canadian Northern Line, which is known as the Royal George, and the White Star. They give a fairly good service, but it is susceptible of very considerable improvement. None of these lines, I think, are faster than 18 knots, if even that much.

Mr. LLOYD GEORGE: Only 18 knots across the Atlantic

Sir WILFRID LAURIER: That is so.

Mr. LLOYD GEORGE: I thought the Canadian Pacific Railway had done 21 knots.

Sir WILFRID LAURIER: They are thinking of it, but they have not got it yet. We hope to have a similar service with 22 knots, and we are prepared, in Canada, to have a higher kind of service going as fast as 25 knots. The Canadian Government would be prepared, on the lines of the resolution which has been moved, to contribute its share with Great Britain, Australia and New Zealand. Whether we can induce Australia to come in is a question as to which I have not yet had satisfactory information. New Zealand has been more enterprising in that respect, if I may say so without offence. On the Pacific Ocean there is a difficulty, so far as I understand, between Australia and New Zealand, which, I am sorry to say, has not been solved, and, so far as I know, is not in process of solution either. If it is to be different, we will know by and by from Australia, but there again we are prepared to contribute our fair share to the best service that can be organized. Sir Joseph limits himself to 16 knots on the Pacific ocean, but I think it is not too ambitious to say that we might go to 18 knots on the Pacific ocean.

Mr. FISHER: Twenty.

Sir WILFRID LAURIER: I say 18 for the present, and I have no objection to 20 in the future, but for this year or next year we can easily provide for a service of 18 knots on the Pacific ocean plying between Vancouver and Australia and New Zealand. Sir Joseph mentioned a moment ago in his remarks that the Canadian Pacific Railway service was slow. Knowing the Pacific Railway Company as I do, I know they would be prepared at any time to give the very best service that could be put on the Continent of America. Without boasting at all, I say that company have shown such great enterprise that I am quite sure they will make my words good, and

be prepared at any moment, if such a scheme were to be realized, to give, I will not say the fastest, but as fast a service as is to be found to-day on the American continent.

The question of Panama is one which is not to be overlooked. What will be the effect of Panama is still an uncertainty. In so far as the passenger traffic is concerned, I have heard—I give the information for what it is worth—that Panama will not compare with the Canadian route. The discomforts of the heat will be such on the Panama route as will make the Canadian route far more available. Coming from Australia to Canada, crossing the heated zone, you cross it from north to south, but by Panama you would cross it from east to west, and therefore would be subjected to much greater inconvenience in point of comfort than the northern route.

The PRESIDENT: That is for passenger traffic.

Sir WILFRID LAURIER: Yes, I said for passenger traffic. I have only to add that if we can get the co-operation of His Majesty's Government, and of the Australian Government, Canada will back New Zealand as far as we can go.

With regard to Newfoundland, the suggestion made by Sir Edward Morris, that the steamers might call at Newfoundland, is a thing which I think might be left to the company which undertakes the service. If they can do so without inconvenience they will surely do so, but I think Sir Edward Morris will find it more conformable to his own interests if he confines his efforts to obtaining a better system, a better line of navigation than now plies between Canada and Newfoundland and Newfoundland and Canada. We have not a very large trade with Newfoundland from Canada but it is an increasing trade, and we hope it will continue to increase, and in this also I have only to say to Sir Edward Morris that we would be happy to respond to any call that is made upon us.

Mr. FISHER: As I read the resolution and understand Sir Joseph Ward and Sir Edward Morris in this matter, it is based on the principle of an All-Red route. That is the sentimental side that he wishes to impress upon this Conference. The practical side, of course, as I understand it, must stand on its merits. As far as the All-Red route is concerned, I see no distinction at all between a service between Australia via South Africa to the United Kingdom and a route from Australia and New Zealand to Canada and the United Kingdom. With regard to the other route via Ceylon, the Suez Canal, Malta, Gibraltar and the United Kingdom, of course that may have its defects from the All-Red proposition, but it has much to commend it, and as regards speed from our point of view I think it is much better than anything we can get through Canada. I do not wish, and I ought not, to criticise a scheme of this kind which has been put forward in a resolution in general terms, but I understand the proposition is that ships that are to start from Vancouver, I suppose, and to touch at Victoria, are not then to touch at any other point until Fiji, a distance of 5,200 nautical miles. That is a distance which, speaking as a layman, I think will tave a very skilful engineer to provide a ship to carry coal and go at 18 knots. But that is only by the way. All who have spoken, Sir Joseph at any rate and Sir Wilfrid, have gone over that route; I have had the privilege of going twice over it and all the ships so far as I know touch at Hawaii and therefore the All-Red character of that route is in no better position than even the Suez route. As Sir Joseph Ward has said we subsidise a line of steamers for speed communication between Australia and the United Kingdom. We give a substantial subsidy, but we cannot get an 18-knot service for that. We are prepared to give a very large subsidy indeed to get an 18-knot service, and while the matter is here in the resolution by suggestion, and by the statement of Sir Wilfrid that you can be assured of an 18-knot service across the Pacific, it is not for me to say that it is not possible, but I

should like to see the contract or the proposition of any company which will undertake it for a reasonable subsidy. That is our difficulty. While in the fullest sympathy with this proposition we in Australia cannot see our way to accept it in the terms laid down, nor to go into it, nor agree to it in the abstract until we see the proposition. Further, if any one will turn up the trade from 1905 to 1910, and see Australia's position as regards trade with the United Kingdom, they will see from the amount of exports from the United Kingdom to all the Dominions, that the Australia has increased more largely—by a larger aggregate increase—than any of the other; in other words their total amount of trade is an increase of one-third of the whole. I will give you the figures, they are very few, of the imports from the United Kingdom.

The PRESIDENT: From the United Kingdom to Australia?

Mr. FISHER: I will give them to you from the United Kingdom to Australia to begin with. Taking the years from 1905 to 1910 the increase was from 17 million pounds in 1905 to 27½ million pounds in 1910; South Africa was from 17 million pounds to 19½ million pounds; Canada, from 12½ million pounds to 20¾ million pounds; and New Zealand from 6½ million pounds to 8¾ million pounds. Then the total imports from South Africa rose from 5½ million pounds in 1905 to 10¼ million pounds in 1910; Australia, 27½ million pounds in 1905 to 38½ million pounds in 1910; New Zealand, from 13½ million pounds in 1905 to 21 million pounds in 1910; and North America from 25 million pounds in 1905 to 26 million pounds in 1910. The total is 71 million pounds in 1905 and 96 million pounds in 1910. These are imports into the United Kingdom, so that there does not seem to be much the matter with the routes from Australia so far as the carrying of goods is concerned. As regards speed we are quite unable to see that the landing of mails would be greatly accelerated, and we are certain, so far as trade is concerned, that we cannot carry trade successfully by the route named. I think it will be admitted even by Sir Wilfrid Laurier and by Sir Joseph Ward that it is an impossibility to carry trade over practically 3,000 miles of railway. It is not a practicable proposition.

The PRESIDENT: Carrying goods you mean?

Mr. FISHER: Yes, I am speaking of trade of all kinds,—goods and chattels and wares, and I go further and say from my point of view, it is hardly a practicable proposition to carry even passengers from the disadvantage of landing and transport across the Continent, and then re-embarkation at the other side.

Sir WILFRID LAURIER: That is the beauty of it—you escape the sickness there.

Mr. FISHER: Of course, I am speaking of people with plenty of means who are touring, because I presume the proposal is not to meet the convenience of mere tourists but for our purposes, for the purpose of emigration, and for the purpose of getting the people we desire to get to Australia; we desire a convenient safe, cheap, and the most speedy route we can get.

It is with some regret, of course, that I make these statements, not in any way hostilely to the proposition as a whole, but because I do not think it is practicable at the present time, with the limited amount of money we can afford to spend in an accelerated and improved steamship communication between the Commonwealth and the United Kingdom, to support the proposition. I regret again, so far as the sentimental All-Red route proposition is concerned, it is no more all red than via South Africa who are now, we are happy to say, entirely linked up with us and associated with us. Our destinies are inseparably linked up and bound up with each other,

and there, of course, we have another all red through route. As to the other route, via the Suez Canal. I hope even that may be improved, at least cheapened and improved otherwise before the next Conference meets.

The PRESIDENT: That is your lowering of the tolls again.

Mr. FISHER: We are practically in the hands of the Government of the United Kingdom in that matter, and we shall not cease to press that proposition.

Sir JOSEPH WARD: The United Kingdom and France, too.

Mr. LLOYD GEORGE: And much more France. We are in the hands of the shareholders of the Suez Canal, which is rather a different thing.

Mr. FISHER: I do not wish to compromise ourselves in any way by using any hard words about a company which is run in commercial interests; I expect to bring this up again, but I think even the engineer who constructed it made a statement to the public as regards what would be a fair interest on the outlay, and after that he said the rate could be reduced.

Mr. MALAN: Although these resolutions which are submitted to the Conference deal only with the one suggestion of an All-Red route through Canada, the discussion has brought up two alternative plans or routes. The one is via Panama and the other via South Africa, and we were pleased indeed to hear what the Prime Minister of Australia had to say on the question of the route via South Africa. It therefore seems to us that perhaps we would be prejudging the matter without sufficient information if these propositions were definitely accepted here to-day. We have therefore thought whether it would not be advisable to refer these resolutions along with the suggestions which have been made to this Imperial Commission to which we have agreed this morning. That would be our suggestion: instead of formally passing these resolutions to refer the resolutions along with the suggestions which have been made to this Commission.

Mr. LLOYD GEORGE: We had at the last Conference a resolution which committed us to the principle of an All-Red Route. I was present at the Conference as President of the Board of Trade, and I was instructed by the Government to accept the resolution, and to try to find some practical means of putting it into operation. From the sentimental point of view I do not think there is any doubt in the minds of anyone that it would be exceedingly desirable. Anything that would bring the various parts of the Empire nearer together is, of course, a very desirable end in itself, but the difficulties are entirely practical, and they are very great. We did not treat that resolution merely as an expression of opinion. A committee was instantly formed, I think, by the Board of Trade. I think my Right Honourable friend the President of the Board of Trade, who was then at the Post Office, was a member, and we had the Colonial Office represented by Mr. Winston Churchill, and we went into the matter at very considerable length. We took evidence. I wired to Sir Joseph Ward to ask him to give the names of some gentlemen here who would represent the New Zealand point of view, and I think he furnished me with one or two names, and we sent for them and took their evidence with regard to the practicability of it, and the cost of it. We also had evidence from Canada, not all friendly. Sir Thomas Shaughnessy came and gave evidence; he expressed a desire to come and give evidence, and of course we said certainly, and he came, and his opinion was certainly not a friendly one according to my recollection. But we had evidence which was very favourable. We had the evidence of shipowners. We went into the cost of it and we found the difficulties were very great. The difficulties were not as great on the Atlantic side, where you have a volume of trade, but on the Pacific side they were almost insuperable. They were insuperable so far as a really fast service

was concerned. We tried 11, 15, 16, 18, and 21 knots, and the 21 knots we found perfectly prohibitive on the Pacific side. Then we came to 18 knots, and we had to find out first of all what it would cost. We found that it would cost an enormous sum to run a fast service across the Pacific, but there was a difficulty about a coaling station which, as Sir Joseph Ward has pointed out, has to a certain extent been solved since then. Then came the question as to what we would get on the credit side. On the Atlantic route there was a very fair chance of making it pay in a few years time, but on the Pacific side there was no prospect of making it pay. We should have had to depend entirely upon the passengers and mails. You could not really carry goods. The statement made by Mr. Fisher only yesterday, I think, is absolutely incontrovertible to any one who has gone into the evidence; you cannot hope to carry goods across a route of this kind which involves a double transhipment. First of all you have to disembark the goods at Vancouver, put them on the trucks, run them across, and then re-embark them across the Atlantic. So that from the point of view of carrying goods it was perfectly impossible; we should have had to depend entirely upon passengers and upon mails. That would involve a very considerable loss on the Pacific side. I was instructed on behalf of the Government to say then that we were prepared within reasonable limits to meet Canada, New Zealand, and Australia to make up that deficiency. Then our difficulty was this—who was to undertake to bring the parties together and arrange the bargain, because it involved an agreement, not merely upon a general resolution, but on the details of a considerable business transaction between Canada, the United Kingdom, New Zealand and Australia. I put that point indirectly to somebody who came from Canada to see me, and I said that somebody ought to be in the position of promoter. All that we could do would be to say that we are perfectly willing to come in, we are willing to subscribe, but we could not undertake, as it were, the promotion of the scheme, and somebody has to do that. I understood—Sir Wilfrid will correct me if I am wrong—that Canada said, "Very well, we will communicate with the other Dominions." Now that happened two or three years ago, and I have heard nothing ever since, so that nothing has been done. So that there are two difficulties, and the first is the preliminary difficulty of bringing the parties together to discuss the thing, and put it in a form in which the respective Governments can consider it. We have never been in that position up to the present, and it is perfectly clear that cannot be settled at a Conference like this, where so many other questions have to be discussed. It is a matter which will take weeks and even months of consideration. You have to have the opinion of shipowners upon it, to find out exactly what it costs, what a 16-knot service would cost, what an 18-knot service would cost, and what a 21 knot service would cost. That will take a very considerable amount of time and I would rather support the suggestion which has been made by Mr. Malan. A Royal Commission has been appointed this morning, I understand, to consider the question of trade relations between the various parts of the Empire, and I should have thought that a Commission of that kind, which would contain representatives of all the various Dominions and of the Mother Country could very well consider a proposition of this kind. If it gave a general affirmation of the principle and as to its feasibility it might proceed to appoint a sub-committee to consider the details for working it out, but I should say in the first place it ought to be referred to this Commission to consider the feasibility of the proposal, and afterwards that Commission might very well appoint a sub-committee to consider the details of the scheme. That is the proposal I put forward.

Sir JOSEPH WARD: I do not agree with that proposal. After Australia's declaration of opposition to the Pacific Service, I think a Commission which is to extend over all our countries, if this matter is referred to it, simply means deferring it. I would rather reconsider the whole position with a view to doing our own part

across the Pacific, between Canada and New Zealand, letting everybody else do what they think proper. I look upon the proposal viâ the Cape, for instance, from either the Australian or the New Zealand point of view, with all due deference to my friends from South Africa, as being highly unsatisfactory from the passenger point of view, as it is a long and at times very rough voyage. I know that absolutely, and I do not want to get into the position, so far as I am concerned, of allowing a red herring to be drawn across the scent, especially with regard to what I conceive to be an impracticable proposition. So from the New Zealand point of view I should certainly not agree to that being included in the Commission's reference. I recognise, of course, that everybody has a right to his own view, but the course sugggested would not suit New Zealand.

Mr. LLOYD GEORGE: If that is the view taken by the New Zealand Government I think there would be very little use in referring it to the Commission. I can quite see the reason why, because two at any rate of the elements in the Commission would come in with a hostile intent. I can see that it is not quite in the interest of South Africa to develop a route in the opposite direction, and one of the difficulties we have experienced before, as Sir Joseph knows, is in connection with Australia, the rivalry between Melbourne and Sydney, at least that is my recollection.

Mr. FISHER: No, there is no rivalry.

Mr. LLOYD GEORGE: On the one route Melbourne would be touched first and on the other route Sydney would come first.

Mr. FISHER: That has no bearing on our position. Our position is that we must do the best for the people of Australia in the matter of trade and commerce. We are not putting it forward.

The PRESIDENT: What do you say, Sir Joseph?

Sir JOSEPH WARD: I want to say a word or two. I recognise the difficulties that stand in the way of a proposition for carrying on a service across two oceans separated by the great Dominion of Canada. If the Pacific section of this service had ever been prompted or promoted or suggested on the ground of carriage of goods across the Canadian continent, the point of Mr. Fisher's remarks would be absolutely indisputable, incontrovertible, but no such question of the carriage of goods has ever arisen so far as this All-Red service is concerned, and I want to point out that such an aspect of it has not been a governing one in the past at all. For 16 years Australia was a party to a contract across the Pacific and on through Canada and across the Atlantic to England, and if the disabilities that are suggested by Mr. Fisher now in connection with the All-Red route as regards cargo are to be put forward as a reason why we should not agree to it, then those same arguments existed during the whole of the 16 years when the Australian Government subsidised that service and carried it on without any such objections being raised. There is a very important aspect of this matter which requires to be remembered as between the Governments of Canada, Australia, and New Zealand, and that is the development of trade between these three Dominions. Independently of the conveying of mails and passengers across Canada and across the Atlantic to England, the development of the trade between the three Dominions themselves has always been an important factor in connection with the proposal to have a service established across the Pacific, while at the same time giving a through route across Canada and on to England.

That has been the case all through, and if I were asked to support this on the ground of its being the carrying of freight cargo to England, I should oppose it with very great determination because as a cargo service to England it would be absolutely useless and impracticable. But that idea was never intended as far as I am aware in connection with the carrying on of a service of this kind. And so with the mail

routes which have been referred to, by the Suez Canal. The steamers that carry the mails and passengers through the Suez Canal from Australia and which carry mails and passengers from New Zealand through the Suez Canal to the old country are not the carriers of the bulk of the freightage between Australia and England or between New Zealand and England, because we have all got our independent direct steam cargo services for which steamers have been specially built; refrigerating steamers carry the bulk of our cargo trade quite independently of those subsidized steamers which to a very large extent are mail and passenger steamers only, it is true they have some accommodation for perishable products. If we mix up a proposal of this kind with anything in the shape of a freightage service we get into a position that there is not the slightest use, in my opinion, of discussing the advisability of attempting to have fast steamships for mail and passenger purposes so as to draw the old country and the oversea countries closer together. If the view of any of the representatives is that we are to discuss it from the trade-carrying point of view, then we ought not to give our subsidies for carrying to traders at all, because there are hundreds of cheap and good tramp cargo steamers which will carry the cargo trade without subsidies, and as far as New Zealand is concerned we would not give anything for such services. I feel it necessary to say this, with reference to the development of cargo trade referred to by Mr. Fisher, that, with all due deference to him, I do not think it comes in. If it was a matter of the conveyance of freightage we were endeavouring to arrange the steamers for——

Mr. FISHER: I said emigrants.

Sir JOSEPH WARD: Yes, that is carried on now by your mail steamers.

Mr. FISHER: We could not ask the emigrants to disembark at one part of the continent and re-embark again. I have travelled there, and I speak of what I know. We cannot send women and children across the continent, and even if we are five days shorter we could not do it.

Sir JOSEPH WARD: The emigrants would go with the steamers trading through the Suez Canal to Australia in the ordinary way, and not across the Canadian continent.

Mr. FISHER: Or by South Africa.

Sir JOSEPH WARD: Yes, they could go that way, but generally speaking they would not.

Dr. FINDLAY: How do they go now?

Mr. FISHER: Partially the one way and partially the other, but mostly through the Suez Canal.

Sir JOSEPH WARD: I say that if we attempt to mix a proposal of this kind up with the idea of freightage or emigrants going across Canada, I do not think the service across the Canadian continent would meet those two points at all, I have never thought so, but if we are to develop and improve trade between Canada, Australia and New Zealand, and to give a through fast mail and passenger service across the Canadian continent and across the Atlantic to England, in my opinion there is a great deal to be said, even upon sentimental grounds, for what is being proposed by me. I want to make my position quite clear with regard to the suggestion which has been made by Mr. Malan for referring this question to the Royal Commission, and I want to put on record why I object to that. It seems to me that where there are subsidized steamers now trading between England and Australia and between England and South Africa and between England and India, they have their contracts in hand and have their service to a large extent on the lines they require, but when a

proposal is made which is required, certainly from the New Zealand standpoint and the Canadian standpoint, to suggest that it should be remitted to a Commission composed of representatives from two countries at this Conference, the interest in our particular service would only be an indirect one as far as they are concerned, and in view of the attitude of my friend Mr. Fisher regarding the Canadian Pacific service, and South Africa's advocacy of another route, it would be obviously a very foolish thing for the advocates of the All-Red route across Canada to New Zealand from the old country if a proposal of the kind was referred to a Commission of such a composition as I have mentioned. As against the proposition, and I prefer infinitely, whatever the effect of this resolution may be, to commence to consider the desirability of recasting what we have been trying to do for years. I should prefer to work with the Canadian Government entirely as far as the Pacific is concerned, and if they are prepared to assist in establishing a faster mail and packet service direct with New Zealand, and from New Zealand direct with Canada, I should be prepared to supplement the amount we are paying now to enable that to be done. For friendly reasons and business reasons I should like very much to see Australia fall in with the Canadian Pacific service. There is no doubt about it, it has worked very well in the past. We have never envied them the collateral advantages of a service of the kind to Australia, because we have been simply a touching point, and whatever benefits have been derived of a material character, it is Australia that has had them, and not New Zealand, right through. In the case of the San Francisco service it was the same. We gave a large subsidy in comparison with what Australia gave, but we took not the slightest objection to their having their final port in Sydney and allowing the provisions, coaling, docking, and repairs, and all the expenditure to be made there. The benefit in that case was to Australia, although New Zealand was giving the greater proportion of the subsidy with the United States of America. From the friendly standpoint of the two countries being so close together, I should like to say, then, even now, deal with the Pacific alone, allowing Canada and the United Kingdom to look after the Atlantic themselves, concerning which it is said by Mr. Lloyd George that there are not so many difficulties as there are in the Pacific. For my part, I should be quite prepared to let the United Kingdom and Canadian Government look after the Atlantic proposals themselves, and in turn with the Canadian Government, if they are prepared to co-operate with New Zealand, to look after the other end ourselves. It seems to me that the difficulty which Mr. Lloyd George has suggested as to who was going to be the party to put into operation a scheme of this sort between scattered countries stands in the way distinctly, but if we are to wait until we are able to get the divided countries to come together on a point of that kind, the Pacific end of it is going to suffer, and it is the Pacific end that I am now concerned in. I believe it would be better for Canada and New Zealand to do that end ourselves, though I should like to see Australia joining with us both in the matter.

Mr. FISHER: If the Conference will allow me, I do not want Sir Joseph to be under any misapprehension regarding our position. We are not in antagonism to New Zealand nor to the Dominion of Canada; we are in hearty sympathy and co-operation with Canada, and, as he has stated, Queensland in the very early days subsidized a steamship line between Brisbane, Sydney, and Vancouver, and ran it for a long time. We have continued it up till lately. The present reciprocal arrangements between Canada and New Zealand give New Zealand a distinct advantage to the Commonwealth of Australia, and that is the reason why we are not co-operating in the present arrangement. The negotiations were closed by the two Dominions within their own rights about which we can make no complaint, nor can New Zealand nor Canada make any complaint that we have not come into that. Further, as my colleague reminds me, we have not closed the proceedings, and we might have a line of steamers either to Canadian Ports or to the United States ports or to nay other ports convenient for our trade to carry our goods and mails.

The other point is that previously this proposition, to my mind, was submitted to this Conference as a mail route largely—for speedy mail communication. The proposition to-day names a line of steamers of 10,000 tons, which obviously means not mail and passenger steamers only; the tonnage, I mean, puts it out of consideration that they would be run for mails and passengers across the Pacific. That is the reason I did not want to go into it. I took it rather from the actual words of the resolution than from what was said that it meant "That, for the purpose of carrying the above desideratum into effect, a mail service be established on the Pacific, between Vancouver, Fiji, Auckland and Sydney, by first-class steamers of not less than 10,000 tons" (it will be noted that from Vancouver to Fiji I dealt with before, and I need not deal with it again; that seems an impossible distance) "and capable of performing the voyage at an average speed of 16 knots." That is a greater speed than we can get from the Orient mail steamers at present running with their ships full, carrying passengers and touching at all ports en route. I want to assure Sir Joseph and the representative of the Dominion of Canada that there is no unfriendly feeling in Australia to Canada. It is a matter of business, and there is very little sentiment in business when we are dealing with the affairs of our own countries.

The PRESIDENT: Do you desire to take the opinion of the Conference, Sir Joseph?

Sir JOSEPH WARD: I desire to take the opinion of the Conference on at least a part of this resolution. I want, without taking up the time of the Conference further, to make it perfectly clear that I do not regard anything Mr. Fisher has said as unfriendly to New Zealand, and I am sure he does not regard anything that I have said as unfriendly to Australia.

Mr. FISHER: It is a business question.

Sir JOSEPH WARD: Yes, and it is as a business proposition that I am urging it. The service running from Vancouver to Australia for the last 16 years was a service established by me with the Canadian government in Ottawa, in 1895, to run between Vancouver, New Zealand, and Australia. I went to Canada specially and arranged it when there, but owing to difficulties that cropped up New Zealand was finally left out and the service touched Brisbane instead, Sydney remaining the final port as I first arranged. Owing to the impossibility of Brisbane and Sydney being included as ports of call in Australia, New Zealand had to remain out 16 years. The Commonwealth Government recently wanted Brisbane continued besides Sydney, but it was an impossibility owing to geographical disabilities which exist on the Australian side to call at New Zealand too, and we are anxious to have that service continued, calling at New Zealand and Sydney only, as I have just indicated.

After the discussion I propose to amend the resolution by leaving out the second paragraph, and I therefore move: "That in the interests of the Empire it " is desirable that Great Britain should be connected with Canada, and, through "Canada, with Australia and New Zealand, by the best mail service."

The PRESIDENT: I should think that would be unanimously agreed to. There is no objection to that, Mr. Fisher?

Mr. FISHER: No.

Sir EDWARD MORRIS: After the word "Canada" add "and Newfoundland."

The PRESIDENT: Certainly, after the first "Canada."

Sir EDWARD MORRIS: Then my motion may be withdrawn.

The PRESIDENT: That is unanimously carried.

Mr. FISHER: We are exceedingly anxious about one point, and that is as to when those negotiations will take place with the Cable Companies. We shall be glad if you can give us any indication before the Conference closes.

The PRESIDENT: Will you ask Mr. Samuel about that? You want it on record, I suppose?

Mr. FISHER: It will do later on.

Mr. SAMUEL: I can say in a moment now. Negotiations have taken place with the Cable Companies already with respect to the establishment of a system of half rates for deferred plain language telegrams, and all the Companies have consented. We are merely now waiting the assent of some of the foreign administrations. We anticipate, if that assent is not withheld, which we do not fear, that the system can be brought into operation on the 1st January next.

Sir JOSEPH WARD: I understood it was to be the 1st January.

Mr. SAMUEL: With respect to certain other reductions I cannot myself specify the date, but I shall be much disappointed if we are not able to carry out a reform within a few months.

The PRESIDENT: As soon as the other?

Mr. SAMUEL: I should anticipate so. But if those reductions are not effected, say, within a year from the present date, I would then suggest that steps should be taken with a view to considering the necessity for the subsidiary conference which has been agreed to by the Conference yesterday.

Mr. FISHER: And you will communicate with us?

Mr. SAMUEL: Yes, with a view to the subsidiary conference suggested by the Conference yesterday.

After a short adjournment.

Double Income Tax.

New Zealand.

"That it is inequitable that persons resident in the United Kingdom, who, under the laws of a self-governing dependency, pay an income or other tax to the Government of such dependency, in respect of income or profits derived from the dependency, should have to pay a further tax in respect of the same income or profits to the United Kingdom; and therefore it is most desirable that Imperial legislation should be introduced to remove the disability."

Union of South Africa.

"That it is desirable that an understanding be arrived at between the Imperial and Colonial Governments whereby the Imperial Exchequer, in claiming payment for income tax and death duties, should allow a deduction for payments fairly claimed for these purposes in the Colonies."

Mr. HARCOURT: We might go now to the Resolution of the Government of New Zealand, and I think perhaps we might take the questions of the income tax and death duties together.

Sir JOSEPH WARD: The question of death duties is brought up by South Africa.

Mr. HARCOURT: Yes; but they can probably be dealt with together.

Sir JOSEPH WARD: Yes. In connection with the system of double taxation, I have had the opportunity of attending a meeting with the Chancellor of the Exchequer, and I placed the whole matter fully before that meeting, and I recognise the position, as then outlined by Mr. Lloyd George, makes it exceedingly difficult for the British Government to conform with the suggestion contained in this Resolution. In deference to the views expressed by Mr. Lloyd George to the informal Sub-Conference* at which he attended, I want to say that I recognise that, as far as the British Government is concerned, the heavy loss involved to the British Treasury makes it impossible for the Chancellor of the Exchequer to agree to it being put into operation. In our country we feel—and I suppose the other people who are here feel too—the anomaly and difficulty of the same British subject or corporation having to pay income tax twice upon the same income. I do not want to repeat the arguments from the standpoint of double taxation as it exists in New Zealand that I placed fully before the Committee, except to say that if in the future there could be some system of mutual arrangement I should be exceedingly glad. We find it necessary in New Zealand, in order to help the people who take up the debenture stock of that country, the domicile of which is in England, to forego the income taxation in New Zealand so as to enable them to be in the position of paying income tax once only on the same income, and that is to the British Government. That is done for a local reason, and it is a very good one from our standpoint, that is with the object of enabling our stock to be taken up in our own country without the possibility of the same person having to pay tax twice upon the income derived from the same investment.

However, I think probably if Mr. Lloyd George will be good enough to make a statement of the position, similar to what was contained in his remarks before the Sub-Conference, I think it will demonstrate that, from the position as it affects the British Treasury, my proposal cannot be accepted by him, and I need not take up the time of the Conference in again advancing my views in detail.

General BOTHA: Are we taking the New Zealand Resolution alone, or the two together?

Mr. HARCOURT: I think we might take the two together.

General BOTHA: Then we mix the two up—the death duties with the income tax.

Mr. LLOYD GEORGE: I think there is something different in both these points, and perhaps we had better dispose of the matter of income tax first. It is better that they should be dealt with separately. They are two totally different points.

Mr. HARCOURT: Then we will discuss the question of income tax first and then go to death duties.

General BOTHA: Of course in South Africa there is a very strong feeling in regard to income tax, and I have prepared a short memorandum of the grounds upon which I wish to state our case. Taking first the question of double income tax, I should like to preface my remarks by stating that it is with considerable diffidence that I venture to raise a subject which was so fully investigated at the last Conference, when the then Chancellor of the Exchequer made perfectly clear the considerations which rendered it impossible for His Majesty's government to grant the desired relief. Looked at from the standpoint of the Imperial Government, I am bound to admit that the reasons adduced by them in 1907 against the granting of our request were possessed of great force. In putting forward the present Resolution, however,

* This refers to an informal discussion at the Treasury on 1st June.

my government are actuated by the hope that, during the four years that have elapsed since the subject was last discussed, the Treasury authorities may have become impressed with the force of the arguments submitted by the Dominions, and that in consequence they may now be willing to make some concessions to the Dominions, even if they are still unable to grant the full measure of our request.

Before proceeding further, I should like to explain that at the present time, if we exclude the profits tax upon mining enterprises, South Africa is without a general income tax. It may be asked, therefore, why I bring forward such a resolution, and I would anticipate that question by stating that the profits tax on mining enterprises is essentially an income tax, and would necessarily fall within the scope of any reciprocal arrangement which may be come to as a result of these representations. Moreover, the Union Government may consider it desirable, at some future date, to introduce proposals for a general income tax, and in view of that contingency, it is important that the South African representatives should have an authoritative indication of any concessions that His Majesty's Government may feel disposed to make as a result of their further deliberations on the subject.

The points at issue as regards double income tax are so well known that I need do no more than sketch the broad position. The fundamental principles of the imperial income tax are: First, that the tax should be levied on the source out of which the income arises and not directly upon the individual receiving the income. Secondly, that the tax shall be levied upon income or profits received, or made in the United Kingdom without regard to the locality of the property out of which the income arises or to any taxation to which it may there be subject. In the result, residents in the United Kingdom are taxed by the Imperial Treasury in respect of profits derived from the oversea Dominions and they have also to pay income tax on the same profits in such portions of the Dominions as taxation of this nature may be in force.

While no question arises as to the right of the Imperial authorities to levy income tax upon the profits received by persons in the United Kingdom from colonial sources, notwithstanding that the same profits may have been subjected to similar taxtion in the Dominion wherefrom they are derived, I venture to submit that there is a good deal to be said, from the point of view of broad imperial policy, in favour of some relaxation of this double taxation. If the system of double taxation continues it is calculated to deter residents in the United Kingdom from purchasing colonial investments and to turn their attention to the securities of foreign countries where they are not subject to similar exactions. This danger would be avoided if some reciprocal arrangement could be come to between the Mother Country and her Dominions whereby incomes were relieved from double taxation. As a basis for a settlement of this character, I would suggest an extension of the principle embodied in the Imperial Death Duty legislation—vide section 20 of the Finance Act, 1894—and that profits earned in the Dominions and received by residents in the Mother Country be charged only with any difference between the imperial tax and that levied in the Dominions. Necessarily the converse of this proposition would also have to be recognized. If some such understanding were arrived at, I submit that it would tend to stimulate the investment of British capital in British countries and to discourage the diversion of capital to foreign enterprises. Incidentally I should like to call attention to a special hardship which, under existing conditions, is suffered by colonial holders of British securities.

In the Imperial Finance Act, 1910, provisions were included which imposed a new liability to income tax upon small colonial investors in British securities. A foreigner, or colonist, residing out of the United Kingdom, who received income from this country, could previously claim the same relief as persons resident in the United Kingdom if he could satisfy the Inland Revenue Commissioners that his total income

derived from the United Kingdom fell below the amounts specified in the Act in respect of which relief is granted. It followed that income tax which could not be assessed need not be included in the statement showing aggregate income, and thus a person who might actually be in receipt of a large income abroad could claim repayment of tax deducted from his investments in the United Kingdom if the amount of the income from the latter fell below £700 per annum. This privilege was taken away by the Finance Act 1910, but before the Bill was passed the High Commissioner for the Union of South Africa had correspondence on the subject with the Chancellor of the Exchequer through the Colonial Office, urging that the privilege then possessed by persons living in a colony should not be taken away. Mr. Lloyd George treated the High Commissioner's appeal most courteously, and pointed out that it did not appear fair to make the same exemptions in favour of colonists in respect of income drawn from this country, whatever their total income might be, as were made in favour of residence here in respect of their total income. He further pointed out that it would be, from an administrative point of view, impracticable to deal with the total income of persons living abroad. I submit that the reasons adduced in support of this change in the law by the Chancellor of the Exchequer are insufficient. It is probable that a few rich foreign and colonial investors have been enabled to claim relief, but they did so within the provisions of the law. I am unaware whether any evidence has been taken to show what number of rich foreigners or colonials had taken advantage of their legal privilege, but I would urge that the Chancellor of the Exchequer, even if influenced by the anomaly of rich men claiming relief, has now gone to the other extreme by imposing the full tax on persons whose incomes are well within £160. The result will probably be that foreign and colonial investors will withdraw from English securities. A letter in the 'Economist' dated 25th February states this to be highly probable so far as consols are concerned.

Another argument advanced is that persons residing abroad and claiming exemption from income tax do not contribute to the finances of the United Kingdom. Any dealings by them in property or securities are, however, subject to Stamp Duty, and when they die their investments in this country are subject to Estates Duty. But a colonist deriving an income of £150 from the United Kingdom is, in addition, under the Finance Act, 1909-10, taxed at the rate of 1s. 2d. in the pound and contributes £9 6s. 8d. annually, which is far in excess of his fair share of the taxation. Certain exceptions are granted in the Finance Act, 1910, in favour of present or former servants of the Crown, missionaries, servants of native states under British protection, residents in the Isle of Man and Channel Islands, and persons residing abroad for their health. This is a fairly comprehensive list of exceptions and must have cut deeply into the amount of tax which would otherwise have gone into the Exchequer. The term 'servant of the Crown' has been construed by Somerset House to cover persons employed in the service of a colonial government, so the anomaly of a civil servant in South Africa being entitled to whole or partial relief from which other citizens are debarred immediately presents itself. It is impossible to draw a proper distinction between colonists and residents in the Isle of Man and Channel Islands for the purpose of this section, while the inclusion of health-seekers was evidently dictated rather by a desire to avoid hardship than by reference to any sound principle of taxation. Further, a foreign resident in the Isle of Man or Channel Islands comes within the exemption. Without a special knowledge of the administration of this section it is difficult to add to illustrations of anomalies, but it can be readily imagined that they may be very numerous.

It is suggested for consideration that a bold line of demarcation be drawn, and the title to relief on the score of income be restricted to British subjects wherever residing. By virtue of being British subjects they are entitled to the protection of the British Government whether they be taxpayers or not, while the law as it now

stands imposes for this protection a far higher rate than that incurred by their countrymen who live in the United Kingdom.

Mr. LLOYD GEORGE: There are two points which have been raised. The more important point from the financial point of view, both to the Mother Country and to the Dominions, is the first point—the question of double income tax. The other is, I will not say a small point, but comparatively speaking it is. The concession of the first would involve a loss to the British revenue of at least 2,000,000*l.* a year, and it would be a growing amount, as I shall point out later on. This is a great lending country; in fact, I think it is the greatest lending country in the world. We have lent, according to the "Statist," rather over 3,000,000,000*l.* of our money for investment across the seas, and of that amount three-fifths are invested in India and the Colonies. Our investments in the Colonies are growing, and growing very rapidly, and I am very glad to think that that is the case. It is an advantage to the Mother Country and of course it helps trade, and it helps us to secure trade with the Colonies; but it is also an advantage to the Dominions and to the Colonies because it assists them to develop the enormous resources of their various countries. But if we begin to make our income tax dependent in any degree upon the amount which is charged in the countries where our money is invested, it would be such a serious breach in our income tax as to make it incumbent upon us to put another 1*d.* and later on probably another 2*d.* upon the income of residents in our own country and that is a contingency which, at any rate as Chancellor of the Exchequer, I would rather transfer to my successors than face myself. For that reason, as I think Sir Joseph Ward very candidly admits, it is almost impossible for a Chancellor of the Exchequer to face it—certainly so soon after a great struggle like the struggle of 1909-10, connected with the imposition of fresh taxation in this country.

Now I come to the second point, which was raised, I think, by General Botha alone and that is the question of the exception of persons of small incomes from income tax altogether so long as they reside in the Colonies. Now, the difficulty here is purely an administrative one. Everybody is charged income tax upon his investments, whatever the total amount of his income may be; but a man whose income is under 160*l* can claim exemption and he gets his money returned; but he has to prove his claim, and he has to establish it. You ought to be in a position to check it, and if he makes a false return you ought to be in a position to punish him for that false return, otherwise you have really no check upon the accuracy of his return at all. It is perfectly obvious that the moment your claimant is beyond the jurisdiction of your courts, you are entirely in his hands when he begins to make a claim for exemption. He can send in his claim and say: "My income is only 150*l.* a year," and you cannot check it. You have absolutely no sanction, as it were, for the purpose of examining the document which is sent in, and of punishing for a false declaration. It would really mean that as to anybody who resided either in the Colonies or abroad who chose to claim an exemption, we should have to honour his claim without any attempt at all to check it.

General BOTHA: In such a case cannot we in South Africa make enquiries for the Government here?

Mr. LLOYD GEORGE: With due respect to a Colonial government, after all it is not their interest; their interest is rather to encourage the claimant than the Exchequer here. We find it very difficult to check demands of this kind here where we have a large army of income tax collectors, assessors, and surveyors for the purpose of verifying the accounts and where it is known that every claim which is established involves a loss to the Exchequer We could not expect a Colonial Government, which had no interest in the matter at all, whose sole interest is the protection of its own residents, to go to the same trouble and to examine the accounts with the same sternness

and severity as we would in this country. I do not think if there were a reciprocal case the Colonial Governments would quite entrust that function to us in this country—a function upon which their own revenue would be dependent. Therefore we have either to abandon this altogether and practically say that everybody who is abroad and cares to say that his income is not over 160*l.* should be exempt, or we should have to stick to the present system. My recollection is that it is a matter of 300,000*l.*—I am only quoting from memory. That was the estimate given to me at the time. It runs to 120,000*l.* for the Colonies alone I think. I can look into that amount, but if you take not merely the Colonies, but abroad, it is a matter of 300,000*l.* I have not the exact estimate for the Colonies here at the moment. Our difficulty is purely an administrative one. The same observation applies to this as to the first. We are a great lending country. In the Dominions and in the Colonies they are dependent upon what is earned within their own territories. Up to the present you have not got a great investing public. You have great undeveloped resources, and all the money that is available you spend upon the development of your own country, and spend it very profitably. On the other hand, though we are a very small country we have a good deal of surplus cash and we invest it abroad, and in fact the very exigencies of our international trade make it incumbent upon us to find investments in other countries, because we find that the more money we invest abroad the better is our trade with the countries where British money goes. Therefore, we are not in the same position as you are. Your interest is to invest money in your own country, and you have plenty of country to invest money in. It is not true to the same extent about our country, and for that reason we have to watch with a very jealous eye anything which would deprive us of income tax in respect of money which is invested beyond the four seas.

There was a third point which was raised by General Botha. He made a suggestion—he will correct me if I have not quite apprehended it—that if a resident in the United Kingdom invested his money in the Colonies, he should only pay in the Colonies in respect of that investment the difference between the Colonial income tax and the intome tax charged in this country. For instance, if there were a 1*s.* 6*d.* income tax charged either in New Zealand or South Africa, you deduct 1*s.* 2*d.* out of that and charge him 4*d.*; on the other hand, if there was a Colonial investor who invested money in this country and paid, let us say, 8*d.* in the Colonies, he should only be called upon to pay 6*d.* here. Is that the point?

General BOTHA: Yes.

Mr. LLOYD GEORGE: I confess that is the first time I have heard that suggestion, and I am not in a position at the present moment to say anything about it. I would like to consider that. That is a proposal I have never heard of before. I am not sure that it has been put before me before in that form.

General BOTHA: I do not think so.

Mr. LLOYD GEORGE: I think General Botha will see the reasonableness of my not giving him an answer straight away upon that point. It is the first time I have been confronted with that proposition as far as I can recollect, and I would like to consider it carefully to see what the effect would be, and I would like to postpone, if he does not mind, giving a final answer until I have considered it.

Dr. FINDLAY: It is much the same principle as now prevails in connection with death duties.

Mr. LLOYD GEORGE: I should like to consider that more carefully before giving an answer. That seems to me a different proposition and a thing we might very well consider. I will consider that very carefully and I will let General Botha

know, and probably the same thing applies to New Zealand. I can inform the Prime Ministers of South Africa and New Zealand upon that subject before they leave this country.

Dr. FINDLAY: It might be well to have it clear what is suggested. Supposing the rate to be the same in each country, what is to be done?

Mr. LLOYD GEORGE: Then that wipes out the income tax altogether in the country where the investor is not resident. I think the point is worth considering.

Mr. PEARCE: I have nothing to say.

Sir E. MORRIS: I say nothing upon this.

Mr. LLOYD GEORGE: I could not possibly accept the Resolution just now in this form.

The PRESIDENT: What do you say, Sir Joseph?

Sir JOSEPH WARD: In what form could it be accepted? If I left out the last two lines would it be accepted then?

Mr. LLOYD GEORGE: No, I do not think I can accept this Resolution at all.

Sir JOSEPH WARD: I have done what I considered to be my duty in directing attention to the matter, but in view of the difficulties, from the point of view of the Chancellor of the Exchequer, that were presented to the Sub-Conference and again have been presented to the Conference to-day, and as the Resolution cannot be put into operation except with the concurrence of the Home Government, I withdraw it.

Mr. LLOYD GEORGE: I think it would be more desirable.

General BOTHA: I do not quite follow. Do you withdraw your Resolution?

Sir JOSEPH WARD: Yes, in view of the fact I have mentioned, it is not possible to put the proposal into operation even if a majority here agreed to pass it.

Mr. LLOYD GEORGE: I will give my answer on the suggestion General Botha makes later on, apart from this Resolution altogether.

Sir JOSEPH WARD: Will you give the answer to the Conference? With all deference to General Botha, I think you will find it more difficult to carry into effect the new proposal than the other suggestion.

Mr. LLOYD GEORGE: Yes, it is a new proposal and I have not had time to consider it.

Sir JOSEPH WARD: Can you give the answer to the Conference?

Mr. LLOYD GEORGE: Yes, I could on Monday or Tuesday give you an answer.

The PRESIDENT: Even if not done in the Conference I will see it is communicated to you at the earliest possible moment. Do you wish to withdraw your resolution, General Botha?

General BOTHA: Is it not better that it should stand now?

Mr. LLOYD GEORGE: I could not accept either of these resolutions.* Your suggestion is rather a different thing to the resolutions themselves, and, therefore, even if I were prepared to accept your suggestion now, I could not accept your

* NOTE.—This matter is still forming the subject of communication by correspondence.

resolution. It would hurt me in another form altogether. Therefore, I suggested that it should be withdrawn and we might discuss the other point, say on Monday or Tuesday, after I have had time to consider it, and perhaps you will give me a copy of your memorandum so that I may see it in writing too before then and then I will get a report upon what it really means to our revenue.

Dr. FINDLAY: This resolution includes death duties as well, which have not been touched upon yet.

General BOTHA: Yes, my resolution includes death duties.

Mr. LLOYD GEORGE: Yes, I could not accept that nor No. 15, as far as income tax is concerned.

Mr. HARCOURT: Will you deal with death duties now?

General BOTHA: Yes, I will leave the income tax point and go on with death duties, because the one resolution deals with death duties as well.

Sir JOSEPH WARD: I was exceedingly interested to hear General Botha's statement that he hoped in the four years which have elapsed since the last Conference the Government might have appreciated or understood the difficulties that presented themselves four years ago.

Double Estate Duties.

General BOTHA: Turning now to the question of double death duties, this is not quite on the same footing as double income tax, inasmuch as the Imperial Government, in the Finance Act of 1894, section 20, have accepted in principle the desirability of avoiding double estate taxation within the empire.

The fundamental principles of the British estate duty are set out in the Treasury Memorandum of the 28th of February, 1911, which forms paper No. 15 in the volume of Conference Memoranda. The facts as set out in the Treasury Memorandum are not in dispute, and I need not therefore go over the ground again at the present time. In South Africa an opportunity has not yet occurred of introducing uniform estate duty legislation. The four provinces comprising the Union still retain their respective laws, but I hope before long to see one consolidated measure in operation for the whole country. It would be a matter of congratulation to the Government and people of South Africa if we could provide in this new legislation for reciprocity in the matter of avoiding double death duties. Unfortunately the interpretation placed upon section 20 of the Imperial Finance Act, 1894, as regards the 'situation' for taxation purposes of shares and debentures, renders it virtually impossible for us to avail ourselves of the advantages offered by that section. It is a condition precedent to any Dominion receiving the benefits of section 20 of the Imperial Act, that it accepts the British law and practice as to 'situation' of taxable property. If we were to defer to these requirements, it would involve a sacrifice of death duties that the country cannot afford. His Majesty's Government, in the Finance Act of 1894, have recognised that double taxation in the case of death duties should be reduced as far as possible, but I submit that by placing a too rigid interpretation upon the provisions of that Act they, to a large extent, defeat the objects and intention of the measure. The Union Government contends that, while the principle of the English law is purely artificial, the equitable view is that

the situation of shares and debentures in a company should be in that country where the company is registered, where it can be controlled by the legislature, and where the country can exercise jurisdiction over it. The Union Government could undoubtedly pass such legislation as would cause these shares in companies registered in South Africa to be situate in South Africa within the meaning of section 20 and so comply with the technicality of the law. Such action, however, would interfere with the freedom with which shares are dealt in; it would entail a loss to the Imperial Government on the revenue it collects from the stamp duty on transfers; it would seriously interfere with the investment of British capital in South African securities. But, such as it is, it is the only alternative that a rigid interpretation of the law (as regards section 20) by the Imperial Government leaves open to the Dominion if it is to take any other position, as regards death duties, than that of a foreign country.

I would propose therefore that for the purposes of section 20 the situation of shares or debentures in a company should be held to be the country in which the company is incorporated. The application of section 20 must entail a loss of revenue to the Imperial Government and to the country to which it is applied. The Union Government would stand to refund to executors a proportion of the duty it collects on personal property situate in the United Kingdom which belonged to persons domiciled in South Africa. It would refund a proportion of the duty it so collects on shares and debentures in companies that are incorporated in the United Kingdom and carry on business in South Africa when held by persons domiciled in South Africa, and it would abandon all the duty it at present collects on such shares and debentures when they are held by persons domiciled in the United Kingdom. On the other hand the United Kingdom would stand to refund a proportion of the duty it collected on shares and debentures in companies incorporated in South Africa, which according to the Transvaal Estate Duty collections for the year 1910 amounts to about 30,000*l*. The Imperial Government would be called upon to refund more than the Union Government, but considering the nature of the South African property, which consists mainly of mines and partakes of the nature of realty, I think it will be conceded that in equity this should be so.

In conclusion I would urge the desirability of finding a way out of the duplication of the death duties within the Empire, which, if the English law as to the situation of shares and debentures is strictly enforced, will not, I think, be for long avoided in other parts of the Empire. Their imposition leads to evasions of South African duty and must tend, as any excessive taxation is bound to do, to evasion of the Imperial death duties also. They must also act as a deterrent to the investment of British capital in South Africa.

Mr. LLOYD GEORGE: Mr. Fisher, you have already had this in Australia. We have an arrangement with you about death duties.

Mr. FISHER: No.

Mr. LLOYD GEORGE: Yes, I think so, except as to Queensland.

Dr. FINDLAY: The same as New Zealand, I think.

Mr. LLOYD GEORGE: Yes:

Mr. FISHER: We are not seriously worrying about that.

Mr. LLOYD GEORGE: No, I do not see why you should worry about a thing you already have.

The PRESIDENT: You do not want to say anything about it, Mr. Fisher.

Mr. FISHER: No.

Sir JOSEPH WARD: I consider we are all right as we are.

Mr. LLOYD GEORGE: Yes, you have it. It is a purely South African question, except as to Queensland. But I understand it is a very serious matter for the British Exchequer. If this were conceded in the form in which it is asked for it would ultimately cost us 2¼ million pounds a year. That is a very serious loss to our revenue, which we could not possibly face.

Mr. MALAN: Surely not as regards South Africa alone.

General BOTHA: Impossible.

Mr. LLOYD GEORGE: Yes, I am told it would be ultimately 2¼ millions. That is the information I get from the Death Duty Office. I cannot pretend that I have gone into the way in which the figures have been made up. As the Prime Minister points out, it does not follow that South Africa would gain that, but we would lose it. The section of the Finance Act of 1894, referred to by General Botha, which deals with this matter, is already applicable to 35 colonies in all, and the arrangements are considered satisfactory by all those colonies; but for some reason or other, it does not work well in South Africa. I am not quite clear what the reason is, but General Botha wants to establish the principle that no death duty should be charged in respect of shares in a company except in the country where it is registered. That would be a very serious thing to us, because we have so much money invested in the South African mines by residents in the United Kingdom. The shares are transferable here, and if we were to abandon the claim which we now make in respect of death duties in those cases, as I am informed by the Death Duty Office it would involve a loss of 2¼ millions a year. Our test is the test of transfer—whether the shares can be transferred in this country. That is accepted in all the other Dominions—in Canada, New Zealand, and Australia— as a mutual arrangement between them and the Mother Country, and it works well. I regret that it does not work equally well in South Africa. It is too serious a thing for me to comtemplate the loss of a revenue of 2¼ millions in respect of residents in the United Kingdom.

Mr. MALAN: As regards the majority of these South African companies, they have really got a double registration office. They are incorporated with us and are under our law. They fall under our legislation, and they have got a local register where the shares are transferred, but they have also a register in London—they want to have, perhaps, the advantage of the London Stock Exchange and so on.

Mr. LLOYD GEORGE: I do not think it is "perhaps" at all, they really want the advantage of our market, and then we say if they want the advantge of our market it is fair that we should be able to claim taxation in respect of that advantage. It is an undoubted advantage and an enormous advantage to them, and an advantage which it is well worth their while paying double death duties for.

Mr. MALAN: But you may find that the result of continuing the present system will be that people will transfer their register just across the Channel.

Mr. LLOYD GEORGE: I do not think you need apprehend that, because they cannot afford to lose our market. As long as we have the cash here, you may depend upon it the South African companies will have their offices here, because it is a very valuable market for them. There is no other market for them which is comparable with it except France. Mr. Soward, of the Death Duty Office, tells me we have 240,000,000*l.* invested in South African companies in this country. To forgo death duties in respect of that would be an enormous loss to us, and it is quite obvious that the 2¼ millions is a very fair statement upon that basis alone. Some of them run to very big figures; they are millionaires.

Mr. MALAN: Perhaps we had better leave it as it is and hope that the people will remain resident out in South Africa.

Mr. LLOYD GEORGE: I think this market is well worth their while paying this little fee for.

General BOTHA: I understand you cannot give us anything.

Mr. LLOYD GEORGE: I am afraid I cannot face the loss. The whole of these resolutions would cost the Exchequer in revenue here 4¼ millions annually.

Mr. MALAN: Is not that on the basis that you give up your whole tax, whereas our proposition is that you should only forgo the difference.

Mr. LLOYD GEORGE: I have already told you that that is a thing I will consider. That is a totally different proposition, which has not been before me before, and I should like to consider that. I am now taking the figures as they stand. The other suggestion I should like to have a little time to consider, as it is the first time the proposition has been submitted to me in that form.

Mr. MALAN: My point is that you should consider that suggestion in connection with the death duties as well as in connection with income tax.

Mr. LLOYD GEORGE: I am prepared to consider it, but I am not so hopeful with regard to death duties as I am with regard to income tax.

Mr. MALAN: We will be satisfied with that.

General BOTHA: I will not press the Resolution further after what the Chancellor of the Exchequer has said.

Stamp Duty on Colonial Bonds.

That in order to encourage investment in the bonds of oversea Dominions it is desirable that debentures or other securities issued in the United Kingdom by, or on account of, the Governments of the self-governing dependencies should be exempted from stamp duty.

Sir JOSEPH WARD: After the interview I have had with the Chancellor of the Exchequer I am prepared to withdraw my resolution.

Mr. LLOYD GEORGE: Yes, so I understand.

Mr. HARCOURT: It is an amicable settlement.

Sir JOSEPH WARD: Yes.

Mr. LLOYD GEORGE: We had a full discussion with Sir Joseph Ward about stamps.

Uniformity in Currency and Coinage Laws.

Australia.

That with a view to facilitating trade and commerce throughout the Empire, the question of the advisableness of recommending a reform of the present units of coins ought to engage the earnest attention of this Conference.

New Zealand.

That it is in the best interests of the Empire that there should be more uniformity throughout its centres and dependencies in the law of ..... currency and coinage.

The PRESIDENT: I do not know whether the Commonwealth of Australia or New Zealand are going to take this up.

Mr. PEARCE: As far as our resolution is concerned Mr. Fisher desires it to be postponed.

Mr. HARCOURT: I am sorry to say it is not possible to postpone it until Monday as we have already so full an Agenda paper for the only two sittings we have next week.

Sir JOSEPH WARD: I am quite prepared to make a statement with regard to coinage, but I do not propose to discuss the metric system.

The PRESIDENT: Might not Sir Joseph Ward state his views on Resolution No. 12? It comes to the same thing.

Mr. PEARCE: Yes.

Mr. HARCOURT: I think he is aware of Mr. Fisher's views.

The PRESIDENT: We might hear you, Sir Joseph.

Sir JOSEPH WARD: I want to talk about the advantages and disadvantages of the present system of coinage, and to point out that if a uniform system of coinage could be adopted for the whole Empire the benefits would be enormous. At present, from the researches I have made, there is quite a chaotic condition existing in regard to coinage. No modern Empire has such a variety of non-related coins in its various possessions, and notwithstanding the magnitude of the trade of the Empire, with its vast Colonial possessions, we have a system of coinage existing throughout many of them which is quite out of keeping with what the position ought to be.

The Latin races some years ago decided to have a uniform system of coinage which has proved to be of enormous benefit to them, and I do not see why we should not, if necessary, have—as is the case in Canada, where the sovereign is recognised and the dollar is recognised—throughout our countries, both the sovereign and the silver coinage attached to the sovereign and the dollar system recognised. There may be difficulties in the way of bringing that about, but at present we have all sorts and conditions of coinage existing throughout the Empire which, in the matter of quick transit existing now, and the visitation of people for personal or even trade purposes to the different parts of the Empire, makes it exceedingly inconvenient. It might be with great advantage referred to a Commission with a view to seeing whether we could not have a uniform system established. The use of the different coins, as I have already said, causes great inconvenience in commercial transactions throughout the various portions of the British Empire, especially when the coinage is wholly silver, as in India, and the exchange is with London, or some other portion of the

Empire where the sovereign is used. I am not suggesting anything in the shape of bi-metallism, because theoretically it may be all right, but to put it into practice is an impossibility, in my opinion, unless we were to bring about practically repudiation by the parts of the world which have borrowed on a gold basis from the Old Country, because an alteration of that kind would practically mean a repudiation by many of the oversea countries and which, I am sure, they are all deadly opposed to anything of that kind.

It seems to me we could with advantage follow the course that was adopted by the Monetary Convention of 1865. There, countries believed it was impossible for them to come under what they finally agreed to do, but it was found to be perfectly easy of accomplishment. In the matter of coinage, take the position of New Zealand relative to Australia; we are just about three days' steam from Australia. Under the Australian system of coinage now, the British half-crown is not recognised, though it is recognised in New Zealand. They have stopped the issue of half-crowns in Australia by legislation. The sovereign is recognised.

Mr. LLOYD GEORGE: The half-crown is still in circulation.

Sir JOSEPH WARD: It is still in circulation, but it is not legal tender.

Mr. LLOYD GEORGE: Is that so?

Mr. PEARCE: That is not so. You can still cash it, I know.

Mr. LLOYD GEORGE: It is still legal tender until the Government of Australia withdraw it.

Mr. PEARCE: Under our law we have taken the power but not exercised it.

Dr. FINDLAY: It is not current tender in Australia, as you will find if you go over there.

Sir JOSEPH WARD: As to people crossing and recrossing between Australia and New Zealand, the half-crown issued by the British Mint is legal tender in New Zealand, but in Australia they may refuse to take it altogether if they wish, or they may give you 2s. for it.

Mr. PEARCE: They do not.

Sir JOSEPH WARD: I have heard of a case where the half-crown, no doubt through ignorance of the recipients, was stated not to be legal tender and they would not accept it.

The PRESIDENT: Is there no other coin which is different in Australia?

Sir JOSEPH WARD: No. Except that in Australia they have substituted a silver penny for the ordinary penny. We have ordinary pennies in New Zealand, although they are not used very much except for purchasing purposes. That is the only other alteration I know of. It is inconvenient to have two British countries so close together with two different systems. In order to bring about uniformity it may be necessary to alter basically the units of our coinage, and if it could be done, even at the expense of temporary inconvenience in bringing it about, it would repay the whole of the portions of the British Empire to do it.

I do not want to go into a number of details which I have taken the trouble to collate in regard to this matter, except to say that it does appear to me that what Great Britain thought right, say 20 years ago, when the means of communication between the different ports of the Empire were very slow, and where one portion was almost looked upon practically as foreign, from the standpoint of distance, or the uses of the people doing business, is quite a different thing now when they are all

within a month or so of each other, and it ought to be possible as an outcome of a commission after examination and investigation into the whole question to bring about a system which would not be injurious to Canada, which requires to recognize the dollar, because its great neighbour has a dollar in operation. I do not see why we should not have the two systems in operation, so that if people came from any of the countries using the component parts of a sovereign, they could exchange quite freely.

Mr. LLOYD GEORGE: You can use the sovereign and half-sovereign in Canada, I think.

Sir WILFRID LAURIER: Yes; you can use everything in Canada.

The PRESIDENT: Are they current coins?

Sir WILFRID LAURIER: Yes, they are legal tender to a certain amount in Canada.

The PRESIDENT: Are they much used?

Sir WILFRED LAURIER: No; our circulation is paper.

Sir JOSEPH WARD: Do I understand all the ordinary parts of a sovereign, sixpences and so on, can be used in Canada?

Sir WILFRID LAURIER: They can, but they never are.

Sir JOSEPH WARD: That is almost as bad as not being allowed to use it at all. However, I bring up the matter because we have it impressed upon us in New Zealand so much in connection with the forward movement made by Australia, which was quite right from the point of view and doing what it thought proper, but they have altered the coinage there, and we are so close that, so far as the component parts of the sovereign in silver are concerned, it has been a subject of discussion in New Zealand.

The PRESIDENT: What is the extent of the practical inconvenience? Is it that your half-crown is not circulated in Australia? Where does the practical inconvenience come in beyond this matter of the half-crowns? We do not see half-crowns very much here. We have them, but if you look in your pocket you will not find very many.

Dr. FINDLAY: Australia happens to have power to mint its own coinage.

The PRESIDENT: The half-crown is not a very common coin.

Sir JOSEPH WARD: It is a pretty common coin out in our country. I find a good many half-crowns knocking about in England, too—not so many as I would like to have. This system of having to be sure you get rid of your silver coinage in one Dominion and get another form of coins before going to another is an unsatisfactory state of affairs. I do not see why we should not be able to bring about uniformity as these other countries have done. It seems to me it would be a very great convenience if we could.

Sir WILFRID LAURIER: Sir Joseph Ward has proposed a Commission to investigate this question. There is nothing to investigate, in my judgment, and the argument is all on one side; it is against your coinage. I cannot see any reason why you stick to the pounds, shillings, and pence; but I know an Englishman will stick to his pounds, shillings and pence as long as he sticks to anything else, and so long as England continues to be the great lending country it is, it is no use trying to get them to conform to this new system. When they come to borrow in Canada and

New Zealand we will compel them to borrow in dollars and cents, but with things as they are I do not see the possibility of getting an Englishman to change his views on this coinage question any more than he will change his views on dogs and horses. Our system is a sensible one and the other system is not sensible. I do not say it is absurd because it has the sanction of ages, but compared with our easy system of dollars and cents I think all the argument is on one side, and I will stand behind Sir Joseph Ward, though with little hope that it will do any good at this Conference.

The PRESIDENT: I am not sure you are standing behind Sir Joseph. Your argument is in favour of the decimal system, and Sir Joseph said not a word about that.

Mr. PEARCE: We in Australia are in favour of the decimal system, and we are waiting for the Home Government to move in the matter before we can reform our coinage. In connection with our silver coinage we have dispensed with the use of half-crowns, but we have not made the half-crown cease to be legal tender; certainly in our new coinage we do not use them, but there are plenty of half-crowns in circulation. There was rather a curious little incident which occurred to a member of our party who came with us and presented to a certain cabman, a London cabman, an Australian shilling with a kangaroo on, and the London cabman said, "What are you trying to pass off here?"

The PRESIDENT: Why did you give up the half-crown?

Mr. PEARCE: Because it was not a convenient coin. We are certainly in favour of this resolution.

Sir JOSEPH WARD: I have not been dicussing, or did not intend to discuss, the decimal system.

The PRESIDENT: No, I thought not; but Sir Wilfrid Laurier did.

Sir WILFRID LAURIER: I confounded New Zealand with Australia.

The PRESIDENT: He put that interpretation upon it.

General BOTHA: I am satisfied with the present system.

Mr. LLOYD GEORGE: As long as you get plenty of the coins.

Sir E. MORRIS: I have nothing to say.

Mr. LLOYD GEORGE: I remember trying to introduce the metric system for other purposes, and every interest in the country rose in revolt against it—I never saw such an opposition—and proved that it would be utter ruination and disaster to their particular trade. The cotton trade was specially violent about it. I think about 10 years ago somebody tried to abolish the half-crown, and there was such a fearful outcry about it that the Chancellor of the Exchequer for the time being—I think it was Sir Michael Hicks Beach—had to retreat at once. It was quite impossible.

Sir JOSEPH WARD: They would not agree to abolish it.

The PRESIDENT: About those things the people are so conservative.

Mr. LLOYD GEORGE: Yes, and it has not only the sanction of ages but the sanction of a good deal of accumulated wealth in half-crowns and shillings. The Englishman says: "I have done very well with my half-crowns and shillings and sovereigns," and it is exceedingly difficult to alter either the measurement system or the system of coinage. With regard to the suggestion made by Sir Joseph Ward that you should use these coins indifferently and accept them everywhere, I think

that would introduce such a confusion as would make it a very serious proposition. It is almost the same sort of thing as they had in the German States before they introduced their Imperial coinage, when each State had a coin of its own, and I believe it was very ruinous to trade, because nobody knew what the value of his coin was, and always had to reckon up what a thing was worth. A man would take his dollar, for instance, to New Zealand, where the coinage would be a different kind, and have to reckon up how much he could get for it, what a cent was worth, and how many cents were equivalent to the same number of pennies. I think it would introduce a confusion which would make it quite impossible. Not only that, but you could export your coins from one colony into the other, and that is a serious matter to consider. After all there is a certain amount of profit on silver coinage which ought to belong properly to the particular Dominion or Kingdom which has got the mint. If you are allowed to trade indiscriminately with these coins that profit goes: at least it is broken into and you never know quite where you are.

I am rather afraid of undertaking the responsibility of any revolutionary change, though there are many revolutions which I would much more gladly undertake than the one of coinage, with a better hope of getting them through.

The PRESIDENT: With a man of your ingrained conservatism I think that is a very serious argument.

Sir JOSEPH WARD: It is not my resolution, Mr. Asquith.

The PRESIDENT: I am afraid there is very little possibility of making a practical change in this direction.

Mr. LLOYD GEORGE: We have tried it so often here.

The PRESIDENT: The difficulty is the opinions and habits of the British people.

The Resolution was withdrawn.

Trade and Postal Communication and Shipping Conferences.

"That concerted action be taken by all Governments of the Empire to promote better trade and postal communications between Great Britain and the overseas Dominions, and in particular to discourage shipping conferences or combines for the control of freight rates between the various portions of the Empire."

Sir D. De VILLIERS GRAAFF: The motion in the name of the Government of the Union of South Africa is as follows:—" That concerted action be taken by " all Governments of the Empire to promote better trade and postal communi- " cations between Great Britain and the Overseas Dominions, and in particular to " discourage shipping conferences or combines for the control of freight rates " between the various portions of the Empire." During the 1907 Session of the Colonial Conference, discussions took place upon the subject of improving trade and postal communications between the United Kingdom and the oversea Dominions, and unanimous views were expressed in favour of concerted action being taken upon this important matter.

In no part of the Empire has a more clear demonstration been given than in South Africa of the evils and disadvantages that are suffered by all sections of the community through the lack of those facilities for ocean transportation that play such an essential part under present conditions in aiding the development and stimulating the trade and commerce of every country. We spend thousands of pounds in assisting agriculture in South Africa, but the expenditure to a large extent would

be lost if our farmers could not get oversea transportation to the European markets at reasonable freights. It is not necessary for me to trace in detail the various stages in the evolution of the present situation as regards South Africa's sea-borne trade. It will suffice, I think, if I outline the main features leading up to the position in South Africa as it stands to-day.

The shipping trade of South Africa is controlled by a body of steamship owners commonly known as the Conference Lines. Of this body the Union Castle Steamship Company is the wealthiest and most powerful member and practically dictates the policy of the combine. That the Conference Lines should have acquired the dominating influence that they now possess in regard to the shipping trade of the subcontinent is not surprising when it is remembered that, until the Union of the four South African Colonies was accomplished a year ago, there was no single Governmental authority which could negotiate with the combine.

As was only to be expected from such a state of affairs, the combine, presenting a united front, had little difficulty in imposing terms for the carriage of the imports and exports of the four separate Colonies which would not have been possible in any other circumstances. When the need arose the combine did not hesitate to play off the various Colonies one against the other. The strength acquired by the Conference Lines is due, in no small degree, to the fact that their most influential member, the Union Castle Company, has for many years held the contract for the conveyance of mails between the United Kingdom and South Africa. The annual subsidy paid in respect of this service has undoubtedly been a factor in establishing the Lines in their present strong position, and maintaining their prestige. Combinations of this character are not the outcome of philanthropic inclinations; as a rule they are established to maintain freight rates and to prevent outside competition. The South African Conference organisation is no exception to the rule, and in the result, the sea-borne trade of South Africa has been handicapped by freight rates, which, as a general rule, are high, and in many cases, are excessive when compared with rates for similar classes of freights on other ocean trade routes. Representations on the subject to the Conference Lines have been frequent and urgent, but unfortunately have had little effect. In furtherance of their policy of excluding all competition from the South African shipping trade, the Conference Lines have rigidly enforced a system of deferred rebates under which shippers are obliged to pay a rate above normal and are subsequently given a rebate of the excess charge provided they can furnish a declaration that in the interval they have not shipped goods by any vessels outside the combine. The success of this system of deferred rebates in the South African trade has been, unfortunately, most pronounced, and shippers drifted so completely into the power of the combine that it soon became evident that nothing short of Government intervention could free them from the burden. I may add that the membership of this shipping combine, originally confined to British shipowners, now includes the influential lines of South African steamships sailing under the German and Portuguese flags.

Up to the date of Union all efforts at concerted action by the various Colonial Governments failed, owing to the diversity of interests involved. But the accomplishment of Union gave a long looked-for opportunity of dealing with the Conference Lines. The outcome of the Government's policy was the passage through the Union Parliament of legislation which prohibits the Government from entering into a contract for the carriage of mails with any shipowners who are members of a combine established to maintain freights at a level injurious to the trade of the Union, or who grant rebates to the detriment of that trade. Furthermore, legislative sanction has been given by the Union Parliament to the charging of differential port and railage rates within the Union against goods transported in vessels belonging to any such combine.

As regards South Africa's mail contracts the legislation alluded to will only be made operative on the termination of the contract now current with the Union Castle Company, since it would have been manifestly unfair to interfere by legislation with existing contractual obligations. If the policy of South Africa as expressed in this legislation proves a success, as is my confident expectation, I venture to submit that the same course might well be followed by the other portions of the Empire where similar conditions obtain and where corresponding evils and disadvantages exist in consequence of shipping monopolies. This suggestion is advanced, not merely in the interests of the Mother Country and of the individual Dominions, but as offering an effective means of stimulating trade within the Empire. It is instructive to recall, in this connection, the views expressed by Lord Selborne when High Commissioner for South Africa.

Dealing with the shipping question, in the admirable memorandum which stimulated the movement for Union in South Africa, his Lordship said:—"If South "Africa can trust her commerce permanently to the unfettered control of any "shipping ring, the case against trade monopolies falls to the ground. So long as "the companies were united, and she remains divided, a combination can always "break up a temporary alliance between the several Governments by making conces- "sions to any of them. As soon as one Government controlling the railways and "harbours can speak for all British South Africa, it will at least be within her power "to arrange with the Shipping Conference the conditions of her sea-borne traffic on "a footing of equality, and to discuss as a question of business what otherwise she "must ask as a matter of favour. At present the whole sea-borne trade of South "Africa is controlled by one private Corporation, which, of course, has no responsi- "bility to the people of the country—and the mercantile community must recognise "that unless an unforeseen complication is conjured out of the deep, the power of "that Corporation must remain dominant, so long as no single control can be "exercised over the ports. It has been shown how powerless this Union has made "South Africa when dealing with a single foreign country. The same considera- "tions apply to all her relations with any carefully organised union of private "interests. She can only deal with them on equal terms by applying the lesson "which they themselves have learned from the conditions of their business." Coming from such a high authority on maritime and economic questions, these views naturaly carry the greatest weight.

What we in South Africa are resolved to have is an open freight market for our sea-borne trade. Our past experience has shown us that the trade and industries of the country will never be free to seek and secure their most advantagous outlets so long as it is within the power of any private monopoly, having no responsibility to the people of the country, but actuated solely by selfish motives, to manipulate the ocean freights without let or hindrance.

Thus far I have merely attempted to give a brief review of the situation to-day in South Africa and of the remedy which the Union Parliament has resolved to apply in order to protect the interests of the people of that country. But as one of the objects of the resolution submitted by us is to secure the co-operation of His Majesty's Government and of the other Dominions, it is necessary that I should give some illustrations of the evils to which I have referred, since it is not to be expected that this Conference will be prepared to affirm the resolution without proof of the justice of our cause. Such proof I am in a position to put before the Conference.

The whole question of shipping rings, and of deferred rebates, was investigated by a Royal Commission which reported in the year 1909. The Commission's Report, and the evidence upon which it was based, offer most instructive reading to those interested in the subject. I may say at once that South Africa's attitude towards this question has not in any sense been induced by the Report of this Commission. We have taken up the matter solely and entirely as a result of our own experiences

of the South African Shipping Ring and its methods; and it is upon our own experiences and not upon the conclusions of the Commission that we have submitted this Resolution. At the same time it is of interest to note, by way of opening our case, what were the findings of that Royal Commission. The Commissioners found that (*a*) The system of shipping rings has resulted in monopolies; (*b*) That these monopolies have in certain cases enabled the rings to place rates on higher levels; (*c*) That the system has led to the diversion of trade from the United Kingdom to the United States to the injury of British trade and has allowed in certain cases, German and Continental goods to be carried at lower rates; (*d*) That the rings have granted preferential rates to particular traders and have acted arbitrarily. And, as supporting the point I made a few moments ago in regard to the unfortunate position of South Africa prior to union, the Commissioners say, to quote their own words (at page 74): "The actions of the Conference in these matters seem to us to show that the members "of the Conference, or the dominant members of it, have not only not been alive to, or "anxious to meet, the wishes of the South African communities, but that for the pur- "pose of preserving their monopoly and resisting change, they have not abstained from "playing off the interests of one Colony against those of another." Comment on these conclusions seems to be superfluous, more particularly when it is borne in mind that several of the signatories to the Report are gentlemen who, by reason of their close association with powerful shipping rings, were not likely to exaggerate the seriousness of the situation. In face of these findings one would be forgiven for expecting the Commissioners to put forward some effective proposals for remedying the undoubted grievances that were discovered; but their recommendations, as outlined in the Board of Trade memorandum of 24th February last, exhibit, if I may be permitted to say so, a regrettable disinclination to advocate those remedies which, drastic though they might appear, constitute the only effective and business-like method of meeting the situation. I refer, of course, to the total prohibition by legislation of deferred rebates similar to what was done in a few other countries, as I will show by and by.

But I would repeat that it was not these findings of the Royal Commission that inspired the Resolution submitted by the Union Government. World-wide as the scope of the Commissioners' inquiry was, and conclusive as the Commissioners' findings are, we prefer to base our case upon our own experiences; but it is useful to bear the Commissioners' Report in mind, and therefore I have taken the liberty of quoting it.

Now, to return to the specific case of the South African Shipping Ring, it should be noted that there are about a dozen distinct steamship companies participating in the combine. I have already mentioned that the membership of the Ring includes vessels sailing under the German and Portuguese flags. The tonnage involved cannot be far short of 700,000 tons, of which roughly a quarter of a million tons belongs to the Union Castle Company. The next largest owner is probably the German East Africa Line, with approximately 85,000 tons. The total number of steamers representing this tonnage is in the neighbourhood of 120, of which 27 belong to the Union Castle Company. The figures I have just given do not include certain vessels engaged in the East Coast or American trades. It will be apparent to all what a power can be wielded by a combination controlling such an enormous amount of shipping tonnage.

Before proceeding further I shall explain exactly what is meant by the 'deferred rebate' system which is practised by the South African Shipping Ring. If there is any member who does not know what a 'deferred rebate' means I will just explain it. Shippers in the South African trade who consider it in their interests to ship all their steamer goods by the Conference Steamship Lines only receive a commission percentage on the net freight subject to completion of a declaration which is to the effect that the shippers, during the period affected, have not shipped or been

interested, directly or indirectly, in any shipments by steamers other than those despatched by the Conference. This commission, or as it is more commonly called deferred rebate, is computed for periods of six months up to stated dates, usually to 30th June and 31st December in each year, and becomes due and is payable six months after such respective dates, provided that also during this second period shipments have been exclusively made by the steamship lines specified. So that in effect the payment of the rebate is deferrrd until twelve months after the shipment is made, during the whole of which period the shipper has to submit to the terms of the combine or sacrifice his rebate.

It can readily be imagined what an effective weapon this 'deferred rebate' system may become in the hands of a powerful and wealthy shipping corporation. In the language of the Royal Commissioners' Report the system 'imposes a continuous obligation upon the shipper to send his goods by the Conference Lines. The shipper, it is true, is not bound to send his goods by the Conference Lines. He does not, by contract, expressed or implied, bind himself to do so. But for the shipper who has sent goods by the Conference Lines there is, unless he chooses to cease shipping altogether for a considerable period, no day in the year on which he is free to ship by "outside" vessels, save by foregoing his rebates. The cardinal principle . . . . is that a shipper, who, during a particular period ceases to confine his shipments exclusively to the Conference, loses his right to the rebate, not only in respect of goods shipped during that period, but also in respect of goods shipped during the previous period.'

In the South African trade the growth of the power of the combine has been so stealthy and gradual as to be almost imperceptible, until to-day it may be said, without fear of contradiction, that the great majority, in number and importance, of the shippers doing business in or with that country are so far in the toils of the combine that they can only ship with outside lines under penalty of loss of their rebates—a sacrifice too great for them to face. The strength thus acquired by the Conference Lines has enabled them to prevent all private competition, and to-day the amount of shipping accommodation offering by other than the Conference vessels for the transportation of goods to or from South Africa is negligible.

Efforts have been made by outside owners on several occasions to enter into active competition with the Conference Lines, for the South African trade, but these efforts have resulted either in the absolute defeat of the competitor or in his absorption by the ring. For a brief period shippers have enjoyed the benefit of reduced rates, but no sooner has the defeat or absorption of the competitor been accomplished, than the rates have been restored to their previous level, if indeed they have not been raised a point higher.

As a general statement of fact, the freight rates on the South African trade routes are much higher than the charges for similar services on other routes. So great is the disproportion in some cases that anyone not conversant with the gradual building up of this shipping monopoly might well express surprise that shippers have not been able before now to protect themselves from such charges. Take, for instance, the case of wool, which forms one of South Africa's staple articles of export. From South Africa to the United Kingdom the freight rate is 3d. per lb. plus 10 per cent, while from Australasia, that is to say, for double the distance, the rate is the same. I am given to understand that my friends who represent the Australasian Dominions hold that the freights they have to pay on wool are too high. What, then, will they think when they hear that the shippers in South Africa, the halfway house between their country and the United Kingdom, are charged a similar rate. In the case of sheep-skins, another substantial export item of Australasia and South Africa, precisely the same thing is found. And I might add that, in the case of scoured wool, particulars submitted to me by prominent merchants of this city

show that the rates from South Africa are actually higher than those from Australasia by some 5 per cent. Comment would be superfluous.

Now let us look at some of the rates of freight which obtain from the Argentine to the United Kingdom and compare them with the South African rates. I may explain that the Argentine rates are given to me by a prominent firm of London merchants engaged in the trade.

The PRESIDENT: What was the distance?

Sir D. DE VILLIERS GRAAFF: The same; the Argentine is the same distance from the United Kingdom as South Africa is, and this is a comparison between the Argentine trade and the South African trade carrying the same distance. For wool from the River Plate recent freight rates have ruled about 19s. to 20s. per ton weight; compare this with the South African rate of $\frac{3}{8}$d. per lb. plus 10 per cent, which works out at 77s. per ton of 2,240 lbs.

The PRESIDENT: Is that wool in both cases?

Sir D. DE VILLIERS GRAAFF: In both cases. When it is remembered that the distance between the River Plate and the United Kingdom is much the same as from the Cape, it will be perceived what a tremendous disadvantage our shippers labour under as compared with Argentine shippers. Let me also mention to you the case of wet hides. From the Argentine goods of this description have recently been shipped to England at rates running between 10s. and 20s per ton weight; from South Africa the freight charged by the Conference Lines is considerably higher.

The principal reason for the lower rates from the Argentine is that in so far as concerns homeward shipments, there is no Ring, although for outward freights a powerful combination controls the freight market. Another instance that occurs to me in this connection is the rate on maize from South Africa, and the Argentine respectively, to the United Kingdom. From South Africa the rate is 11s. 6d. (and the Conference lines are not satisfied with this rate), while from the Argentine as low a rate as 6s. is sometimes accepted; the average rate for last years was 8s. 9d., it came to something between 8s. and 9s. against our 11s. 6d., which is not satisfactory. It was 17s. first, and we got a reduction from them to 11s. 6d., in order to encourage the farmers to develop that part of the industry, which is a very great industry in the United States of America, as we know. Last year's output of mealies to the United States of America was ten times as big as the output of gold from the whole of South Africa put together. Whilst we were importing into South Africa some few years ago mealies for our consumption, last year we exported close on 2,000.000 bags, and of course if the freight is raised so that agriculturists cannot compete with the world's market, although our mealies have a very good reputation over here, the industry instead of being developed, will decline.

So much for our export rates. I would ask the indulgence of the Conference while I cite a few comparisons of outward freight rates between the United Kingdom and South Africa and Australia. Take, for instance, the case of bicycles. These useful articles are conveyed from the United Kingdom to Africa at 42s. 6d., but if they are taken on to Australia they are only charged 37s., actually less for 12,000 miles than for half that distance. Similarly, in the case of motor cars, it is cheaper by some 5s. 6d. to ship them to Melbourne than to Cape Town. Pianos, too, could be conveyed to Melbourne some 8s. cheaper than to Cape Town. To take goods of a more general description, we find that agricultural implements are rated at 30s. to Cape Town, but for the double distance to Australia only 7s. is added to the freight. Passenger fares also offer material for reflection. The average third-class fare to South Africa is 16 guineas, on the other hand the fare to Melbourne works out at about 17*l*., or only 4*s*. more for double the distance.

Sir JOSEPH WARD: What class is that?

Sir D. DE VILLIERS GRAAFF: Third class; these are the charges by mail steamers. It is interesting to note that third-class passengers represent two thirds of the travelling public on these routes (that is by South Africa).

I could multiply instances of similar anomalies—all to the disadvantage of South Africa—but perhaps these will suffice. They will serve to show that the Conference lines have used to the full their monopolistic powers, and have raised rates and maintained them at a level that not alone retards development but effectually prevents the establishment of new industries in South Africa. By the arbitrary action of this shipping ring, manufacturers and producers in South Africa are prevented from reaping to the full the advantages of their own local markets, and deprived of the benefits which they are entitled to claim by reason of geographical proximity. We in South Africa have no inland waterways along which our goods can be carried, and we are therefore thrown back upon the ocean and our railways as the principal agencies of transportation, and while the freights for our coastwise trade are maintained at an unreasonable level, it will readily be perceived what a restriction is placed upon our development.

So much for the disadvantages under which we suffer by reason of excessive sea freights. By no means, however, does this exhaust the list of disabilities which are imposed upon shippers by the Conference lines. Take the case of our maize shipments. Last season some thousands of tons of maize were detained for varying periods at South African ports for want of sufficient accommodation in the Conference vessels. The companies knew that their combine possessed effectual means of preventing outside shipowners from loading such cargo at anything like reasonable rates—they knew also that there was, in South Africa wool exports (at that season very active) a much more profitable business; they therefore gave permission to the shippers to load maize by any outside ships that might be available, without being subjected to forefeiture of any rebates due to them by the Conference lines.

It should be noted that, in the case of certain lines belonging to the combine, the shipowners are not permitted under the terms of the agreement to accept any shipments from South Africa; that they may carry cargo to South Africa but not from our Union ports, and that after discharging their South African consignments they are obliged to proceed elsewhere if they want to pick up return freights. Although it may be difficult to believe, it is nevertheless the case, that cargo may be offering at South African ports and vessels of the Conference lines may be berthed in these same ports with plenty of available space, but these vessels are prohibited from loading by virtue of the terms of the agreement between the various companies in the combine. Under an open freight market, of course, this could not happen and the shipper would derive full benefit from the lower rates quoted in order to fill this vacant accommodation.

Then, again, we find the Conference lines controlling the agencies established at certain of our ports for loading and unloading vessels carrying our goods and levying through their agencies charges that are much higher than the circumstances justify; by these means a heavy additional burden is laid upon shippers.

I have only touched upon a few of the disabilities under which we labour through the operations of the Conference lines, but they will afford a substantial indication of the considerations which have weighed with the Union Parliament in deciding to legislate against shipping combinations and against the granting of deferred rebates. We are convinced that the breaking down of this shipping monopoly will aid materially in the development of our country and, indeed, is essential to our prosperity.

Nor do we admit that, in comparison with the advantages that the country will reap from an open freight market, the arguments in favour of a shipping Conference are possessed of any real force. Let us look at these arguments for a moment. It is

contended that it is only by means of combinations that regular sailings are made possible; that capital is assured of a sufficient return to justify the shipowners in investing in new vessels of higher type and capacity, and that stability of rates is secured to the advantage of the small importers. These arguments are specious and plausible, but they will not stand examination. Fortunately the ring system is not universal and we have at hand a most striking instance of an open freight market proving the direct converse of the case put by the friends of the Conferences. I refer to the case of the United States of America, where, in so far as concerns her export trade, absolute freedom of freight obtains. I am aware that the ring system of "deferred rebates" is in operation to a limited extent for the freights to the United States, but the wise and far-seeing legislation adopted by our American cousins, in what is known as the Sherman Anti-Trust Act, has effectually trimmed the claws of the shipowners in respect to the granting of "deferred rebates" on export shipments. The effect of this Act can be gauged from the fact that, so far as can be ascertained from the best informed quarters on that side of the Atlantic, the "deferred rebate" system has not been in use, at any rate in such centres of maritime activity as New York, at any time during the last eight years, and is not now used in the States publicly, if at all. This may come as a surprise to some of the members of the Conference, and it may not be without interest if I give a very brief account of how the result was achieved. Curiously enough we find our friends the Union Castle Company figuring prominently in the legal case which liberated the American shipper from the "deferred rebate" system.

The United States law was in a somewhat uncertain state with regard to combinations for many years, but the precise question of the illegality of "deferred rebates" was decided in the case heard in the American courts of Thomson *v.* The Union Castle Company and others. In that case a shipper sued for treble damages under the Sherman Anti-Trust Act, alleging that the Conference of Shipowners who were operating the steamship service to South Africa under the deferred rebate system had injured the plaintiffs by restraining their trade, and also by forfeiting other rebates under the deferred rebate system, so as to place them at a disadvantage as compared with shippers who shipped exclusively by the Conference lines. The court held that the combination was illegal, and the jury found that the deferred rebates were, in substance, forfeit money exacted by the combination in excess of reasonable rates of freight. In the result the plaintiffs, who had not complied with the terms of the rebate circulars, and thus lost their rebates, recovered the full amount of the rebates lost as well as certain other minor damages and this verdict under the statute was trebled by the court. The deferred rebate system had actually been abandoned by the Conference lines prior to the commencement of the action, on advice furnished by nearly all the leaders of the commercial bar. I think it will be readily admitted that a system which has been found by the American courts to be so contrary to public interests as to warrant such a severe penalty as I have indicated deserves at least to be viewed with grave suspicion by communities in other parts of the world to whom facilities for ocean transportation are essential to their very existence.

Having explained this much in regard to what has happened in the United States, I should like to call attention to the results to that great country of the abolition of deferred rebates. If the contentions of the friends of the Conference lines are correct, the abolition of the deferred rebates in America should have been followed by irregular sailings and by hesitation on the part of shipowners to invest in new vessels owing to the (alleged) absence of an assured return on the capital so invested! As a matter of fact, the exact converse is the result; the competition induced by an open freight market has stimulated shipping operations to such an extent, by enabling shippers to enter new markets in consequence of reduced rates, that shipbuilding received an enormous impetus and no signs of hesitation in the matter of acquiring

the newest and best types of vessels were ever displayed by the shipowners. And this same healthy competition obliged American shipowners to maintain regular sailings or, in the alternative, to see their customers patronising more go-ahead lines. Not only were the regular sailings maintained, but services became more frequent, and the element of competition encouraged owners to cater more efficiently for the comfort, convenience, and safety of passengers, and for the needs of the commercial, industrial, and farming community.

The other argument alluded to by me as having been urged in favour of shipping combines, viz., that they benefited the small shipper through the stability of freights, may be possessed of a certain amount of force, but I venture to point out that, in the fight for national existence and prosperity, it is the interest of the majority that must prevail, and it cannot for a moment be conceded that the well-being of a country should be subordinated to the interests of what, after all, must be a very small section of the community. As a matter of fact, I do not for one moment admit that the interests of the small importer would suffer.

In South Africa the railways and harbours are public property and the Government naturally fix the railage and harbour charges at such rates as may appear to them to be right and proper in the public interest. But so long as the absolute control of the sea-borne traffic to South African ports is in the hands of an uncontrolled shipping combination, the Government's arrangements in regard to rail and port charges may at any time be nullified. This has been our experience in the past, and we are determined that, so far as lies in our power, it shall not continue. Close upon one hundred millions sterling is invested in the railways and harbours of the Union, and it is unreasonable to think that in matters relating to this enormous asset the will of the people of South Africa shall not prevail. But for the power wielded by the Conference lines, a power derived mainly from the operation of the deferred rebate system, such a state of affairs could not have been possible. In short, it has in effect rested with the Conference lines to determine how a large section of our fiscal dispositions should be made—to decide what additional burden of transportation charges should be borne by certain of our commercial highways and what measure of relief was good for the communities served by other of our main transport routes. Nor does South Africa stand alone among the British dominions as an example of the unfortunate effects of shipping rings. Australia, I understand, appointed a Commission to investigate the subject of rebates, and that Commission recommended that rebates should be declared illegal. The result, I am informed, was the passing of the Australian Industries Act, 1907, containing provisions affecting the operations of shipowners making use of the rebate system. How far the provisions of that measure have operated towards limiting the powers of shipping rings in Australian waters I should be very much interested to hear from the Australian representatives. As regards the Crown Colonies, the efforts of the Straits Settlements to combat the shipping interests have, of late, bulked somewhat largely in the public eye, and recent official utterances in Canada would seem to point to a growing feeling in that part of His Majesty's dominions against shipping combinations. It may well be, therefore, that the Union Government have selected a favourable time for bringing forward their Resolution on this subject.

In the case of railway companies established in this country the Board of Trade is clothed with powers to prevent the companies from granting preferences to their customers. Having acknowledged in this respect the danger to public interests that lies in the granting of preferences of this nature, it is not too much to expect that a similar attitude should be adopted in regard to ocean freights. Furthermore, if my memory serves me aright, the Board of Trade not long ago viewed with disfavour a proposal put before it for the amalgamation of two of the larger English railway systems—the Board's objections being founded upon the belief that any such combination would operate in restraint of trade and tend to place the public at a disadvantage.

Once it is conceded that shipping rings have the effect of maintaining high rates for sea transportation—and in face of all the evidence I do not see how this can be controverted, since one of the primary objects of a shipping ring is to discourage competition and maintain rates—I do not see how it can be argued that the abolition of the rings would not have the effect of reducing rates: and a reduction of rates must necessarily afford a stimulus to trade and commerce which, while it would more than compensate the shipowners for the reduction in freight charges, would give to British manufacturers and merchants generally an opportunity of opening up and exploiting markets which are unattainable under present conditions. On the other hand, we have seen that the operations of the rings in the past have diverted to the United States, and to the Continent, trade that should have belonged to British manufacturers. I have already indicated what happened in America when the deferred rebate system was declared illegal. Shippers profit by the reduced rates and by the healthy competition that is brought about, and shipowners benefit through the increased volume of the carrying trade. Nor should too much attention be paid to the cry that stable freights are essential and can only be maintained by the agency of shipping rings. There is no good reason whatever why, in the case of sea freights, greater stability should be assured than for ordinary commodities.

There is a further important point to which I would ask consideration, and that is that when a period of trade depression arrives working costs are reduced and new markets, new avenues of consumption, are opened up which in dearer times were inaccessible: and markets once found are not readily lost. But, if shipping rates are maintained in such a crisis and do not fall in sympathy with other working charges, the opportunities for entering these new fields of activity are *pro tanto* diminished.

Looked at from the point of view of trade and postal communications between the United Kingdom and the oversea dominions—which is the object of the first part of our Resolution—the Union Government are satisfied that by no means can this object be more speedily and satisfactorily achieved than by abolishing the system of deferred rebates. The abolition of these rebates would, we are convinced, effectively break down shipping monopolies, and would create a healthy competition among shipowners. This must benefit the whole of the Empire, since our prosperity is dependent upon the fullest freedom being secured to our sea-borne trade. The competition thus stimulated would oblige shipowners, in order to maintain their position, to provide faster and better vessels and, in this way, better trade and postal communications would be promoted between Great Britain and the oversea dominions—and that without any additional cost to the public. By these means the different parts of the Empire would be drawn together more closely. The shipowners, on the other hand, would be more than compensated for their increased outlays by larger volume of trade.

I have much pleasure, Sir, in moving the motion standing in the name of the Union of South Africa. I hope it will commend itself to the Conference, and I hope I have said enough to show that for a good many years past the whole of the South African trade and industries have been dominated by a shipping ring the members of which are not responsible to the people of South Africa; in other words, we in South Africa have not been masters in our own home. For the future we hope to be so, and I trust that the resolution which I have just moved will find favour with the Conference, and that the resolution will be passed. I move the resolution.

The PRESIDENT: I think it would be convenient that Mr. Buxton should at once make a statement.

Mr. BUXTON: This resolution, as drafted, puts His Majesty's Government in some little difficulty, because, while they would be prepared to support a resolution directed against combines and conferences where they were shown to be in restraint

of trade, this motion as drafted practically assumes that all such conferences are necessarily disadvantageous. That is not the view necessarily held here, either by our Mercantile Marine or by our shippers or manufacturers. I think, therefore—because I should be glad if the Conference could arrive in those matters at a unanimous vote —I would suggest if it met with the view of the South African delegates, to add at the end of the printed motion, 'in so far as such conferences operate in restraint of trade.' I should be very glad to give my support to the motion so amended.

I am also somewhat in a difficulty after Sir David Graaff's speech because the Conference has heard the side which, with great ability, Sir David has put, and they are of course at a certain disadvantage in not having the opportunity on the present occasion of hearing what might be said on the other side by those interested in these conferences. It is not my duty, nor do I, intend, either to controvert what Sir David Graaff has said or to argue the matter on its merits. But in agreeing to this resolution as amended, I must not be held as necessarily agreeing, and I am sure that he will be with me there, in all the arguments which he has put forward or the views he holds, nor must it be assumed that I necessarily agree in the solution which South Africa has proposed for this matter as being the best method to deal with the evils to which he has referred. South Africa, it is clear from his remarks, has peculiar hardships in reference to this matter, and especially with regard to freights and facilities. As representing the Board of Trade here, and therefore representing the commercial interests of the United Kingdom as well as the shipping interests, I am bound to look at it from rather a broader point of view, and, as I have already said, the views, or some of the views, which Sir David has expressed are not those necessarily held here. Therefore, I must not be held to accept all his statements or conclusions without qualification.

I think it may be to the convenience of the Conference if I first state in a very few words how the matter stands with regard to our position over here. These rebates, as everyone is aware, are not a new thing. They have been in existence for 30 or 40 years or more, and it is more of recent years that complaints have come forward with regard to them and that greater interest has been taken in them by those affected by them. I think 1904 was the first time there was a definite Conference with regard to it, at which the various States and Colonies of South Africa, as they then were, met, and came to the conclusion that the freights were excessive, and that the rebate system was objectionable. In 1905 there was a similar Conference affecting Western Australia chiefly which came to the same conclusion. All that time, and subsequent to that, the Board of Trade was very carefully watching the whole question and had given it very careful attention. They did not feel at that time they would be justified in initiating legislation without some further evidence and some further full and exhaustive enquiry into the matter. Therefore, in 1906 a Royal Commission was appointed to inquire into the whole matter and their terms of reference were to this effect: they were "to inquire into the operations of shipping "rings or conferences generally, and more especially into the system of deferred "rebates and to report whether such operations had caused or were likely to cause "injury to British or Colonial trade, and if so, what remedial action, if any, should "be taken by legislation or otherwise."

The various Dominions were represented on that Royal Commission, but rather unfortunately as it happened, either through illness or some other cause, the representatives of Australia and South Africa alone took a part in the proceedings and signed the Reports, and those two gentlemen signed the minority Report. The other Colonies, for various reasons, unfortunately, in the final report were not represented. That Commission to which Sir David has already referred issued a majority Report, and I think it must be said that the majority Report as a whole did not condemn the system of conferences, and the system of rebates. They pointed out the advantages

which those who support the Conference system claimed for it. They were these: that it improved shipping services by the institution and maintenance of regular sailings and steady and stable rates of freight and they attached great importance to the last suggestion, namely, the steady and stable rates of freight. They stated that it also improved the services by the provision of steamers of high class and speed, that it brought about the maintenance of equal rates from the United Kingdom and the Continent; that it brought about—and to this again they attached great importance—uniform rates of freight to all shippers large or small, that an open freight market gave a preferential rate as a rule to the larger steamer, and that the system of Conferences to a certain extent was a protection to the smaller trader.

Those were the principal arguments which were adduced on behalf of the system of Conferences at the Conference. The majority came to the conclusion, however, that there were considerable disadvantages of various sorts in connection with these matters, and especially that abuses might arise in reference to them for which they suggested certain remedies which I will mention in a moment.

The minority Report, on the other hand, thought the majority had put these claims much too high, and they on their part believed that there was a great deal to be said against the system of Conferences and rebates on the following grounds. I am only quoting the most important ones, and there are minor ones as well. The first one was that the system was introduced in the first instance with the object of raising rates or preventing their fall and diminishing competition, that the system had been successful in raising and keeping up rates, and that the public had, as a rule, to pay higher rates of freight under the Conference than they would pay in the open market. They also said that the system had been injurious to tramps, the strongest element in the British Mercantile Marine. That it had diminished or tended to diminish the ports of sailing; and that it gives a country like the United States, in which the system is illegal, an advantage as compared with the United Kingdom. They said that there was no evidence to show that it appreciably increased the regularity of the sailings or greatly improved the quality of the steamers, but they admitted that it tended to bring about equality and stability of rates.

CHAIRMAN: I have to go to the Colonial Office to interview two Sultans, and I am sure that it will be in accordance with your wishes if I ask Sir Wilfrid Laurier, who is the doyen of the Prime Ministers, to take the chair of the Conference.

Sir WILFRID LAURIER took the Chair.

Mr. BUXTON: I put these two statements of the majority and minority Report on the one side and the other in order that the Conference might see clearly the lines of argument which were taken as to the system of Conferences. When the Royal Commission came to their report their proposals in both the majority and minority reports were not of a very drastic description, and they certainly did not carry out the suggestions which were made by various witnesses to the Commission during the course of their proceedings. Proposals were made to them as to the abolition of the system of deferred rebates, the establishment of a Board of Control, the exercise of Government influence by means of mail contracts, and the modification of the rebate conditions by legislation. Neither the majority nor the minority proposed the abolition of rebates nor the abolition of the Conference system. They both suggested that an Association should be formed of those interested in the various trades in order that as far as they could by negotiation and by conciliation they should be able to arrive at conclusions which might be satisfactory in getting rid of the disadvantages of these Conferences and these rebates. The majority proposed that in the event of these Associations not being able to come to terms with the Shipping Companies, the Board of Trade should endeavour to bring that about, and where the

Board of Trade thought there were good grounds for believing that important national or imperial interests were affected they should then be able themselves to intervene by appointing persons to inquire into the matter, take evidence on oath, and so on, and report the result of their conclusions.

The Minority Report went further than that, and they suggested that the Board of Trade should be given greater powers, and that, quite apart from any question of whether there were matters affecting important national interests, they should have power to appoint persons to take evidence, produce documents, and so on, where it appeared to them that the public interests were involved, including those of consumers and producers, and also on the representation of a Colonial Government. They were to report the nature and result of their inquiries to Parliament, and they were annually to lay before Parliament returns dealing with these agreements or alterations in the agreements on the question of rebates and so on.

Either of these proposals would have required legislation in order to give the Board of Trade power to take evidence on oath and to deal with the matter from the point of view recommended by the Commission. This was about two years ago, and the initiative in both cases of taking the first steps was rather left to the parties interested. These persons have not up till now shown much desire—the exporters, the merchants and the manufacturers—have not shown, over here at all events, very much desire to move, nor have they pressed the Board of Trade to carry out legislation in the matter. No active movement having been taken, a little while ago I, wishing to ascertain what their views really were, invited a Conference to meet me at the Board of Trade, representing the parties principally interested in the matter. I asked the Associated Chambers of Commerce, the London Chamber of Commerce, the Manchester Association of Importers and Exporters, the South African Merchant's Committee, and the Australian Merchants' Association to come and discuss the matter, informing them beforehand what it was I wished to consult them about. Besides that we have taken the opportunity, as occasion has arisen, to consult other interests concerned. I am bound to say that the support in favour of legislation, and in favour of any drastic proposals from these various persons interested, has not been very encouraging; and there is no doubt that here at all events there is great difference of opinion as to how far these Conferences and the system carried out by the Conferences are an advantage or a disadvantage to the trade of the country on this side. As every member of the Conference will know, in a matter of this sort, touching an enormous interest like the Mercantile Marine here, it is not very easy to introduce a Bill, at all events it is not very easy to pass it, unless you have behind you a considerable volume of public opinion. Sir David has been fortunate, if I may say so, as far as he is concerned, in having, as I understand, behind him, in dealing with this matter, a practically unanimous opinion, but I am afraid, as far as my information goes, at the present moment at all events, that is not the position over here.

Then the step has been taken by the Union South African Government to which Sir David has referred, and I am sure he will feel and the Conference will feel that it is not the duty of His Majesty's Government to express an opinion in reference to the merits or demerits of that particular proposal, as it was entirely within the competence of the Union Government to carry it out and there was no question as to their Bill receiving the Royal Assent. I did not at the time it was going through, nor have I since, nor do I intend now—it would not be right that I should do so—express an opinion with reference to the merits of it. Perhaps I might express as representing the Board of Trade, which is always very much interested in anything which can be brought about by conciliation or agreement, a pious hope that the two sides interested in the matter may possibly be able to come to an agreement, but that is merely a pious hope on the part of the President of the Board of Trade.

As regards the action of His Majesty's Government in the matter, the motion I think refers to the question of postal subsidies. It has not been the policy of His

Majesty's Government, rightly or wrongly, with regard to their postal matters to deal with postal subsidies as being anything except payments for postal facilities and it has not been their policy to use that payment or those subsidies for anything except purely postal matters. Therefore, some other way must be found to deal with the matter. I am afraid that all I can say on behalf of His Majesty's Government at the present time is that we think it is a matter of great importance that we shall continue to give it the utmost consideration, and thus we shall still more await the developments to which Sir David has referred. These developments may throw some light on the best methods of dealing with the matter, if it is necessary to deal with it, and we shall at all events learn by experience and we shall be better able to understand the matter at a later date.

Therefore, while agreeing with the resolution and willing to accept it at the moment in the sense I have suggested, it must not be held that at any early date the Board of Trade will be able necessarily to deal with a matter of this sort by legislation, because in such a matter as this, as I have already pointed out, we cannot be much in advance of public opinion. Personally I am hopeful that we may be able in some ways to take some action in regard to it, and I am from time to time, as far as my powers and opportunities go, endeavouring to ascertain the feeling here on the question. I hope Sir David and his colleagues will be prepared to accept my amendment in order to enable His Majesty's Government to give their support to the resolution, otherwise I am afraid I should have to dissent from it, on the ground I have given.

Mr. BRODEUR: Sir Wilfrid. As fas as I am concerned I do not see any serious objection to the motion which has been proposed by Sir David Graaff. I find, however, in view of the explanations given by Mr. Buxton, that it would be rather difficult for the Imperial Government to accept the motion unless some amendment was made. As far as Canada is concerned, we have not suffered a great deal at the hands of these Conferences. I may say, however, that a couple of years ago the Westbound Conference on the Atlantic, which covers not only shipping between Canada and Great Britain, but also shipping to the United States of America, at least the ports of New York, Boston, and Portland, took action which was detrimental to some of our ports. The agents of the interested companies were generally opposed to that increased rate which was decided upon by this Conference, at least they said they had nothing to do with the passing of this resolution of the Westbound Conference, and were willing to help us in taking the necessary steps in order to remove it. Fortunately we are able to deal with that increased rate in such a way that they had to remove it, but that was through the local conditions and local circumstances, which perhaps cannot apply in all cases.

As a general principle, I think it would not be advisable that the Conferences which are made in restraint of trade should be encouraged, and I am sure Mr. Buxton, as President of the Board of Trade, will do his utmost to prevent any such thing being done. Since we are upon this subject, and since the motion as framed may permit me to bring up this question—because I see in the motion it is stated, "That concerted action be taken by all Governments of the Empire to promote better "trade and postal communications between Great Britain and the Overseas Dominions," I might call the attention of the Conference to a very serious discrimination, and a very serious injustice which is done to Canada, not by a Shipping Conference, it is done by another Conference which exists—an agreement or combine which exists between insurers here in England. We found out that in all policies of insurance issued here there is a clause by which a ship is prevented going into British North America unless she pays a larger premium. This works very detrimentally to our interests in Canada, and we are at a loss to find out for what reason the insurers are charging a larger rate to go to the St. Lawrence or to go to Halifax or St. Johns than

they would charge to go to Portland, for example, or New York or Boston. As far as Boston and New York are concerned, of course they are a little lower than Canada is, but that is not an objection as far as the summer's trade is concerned. Take the case of Portland. Portland is just a short distance from St. Johns. However, the insurance rate which is charged on a boat plying to Portland is less than the insurance rate charged for a boat going to St. Johns. This discrimination which exists between the insurance rates charged for boats going to Canada and for boats going to the United States is very seriously detrimental to us, and is detrimental to the encouragement of trade between Great Britain and Canada.

Mr. BUXTON: That is hardly a question of the shipowners and a combination, that is a question of Lloyd's and the insurers.

Mr. BRODEUR: Yes, that is what I say.

Mr. BUXTON: I would suggest that you should communicate with Lloyds, or we will do so, if you will communicate the facts to us.

Mr. BRODEUR: I only wanted to raise the matter here with the expectation that you might use all your influence with the insurers in order to have this clause struck out of their insurance policies.

Mr. BUXTON: We should be very glad to do anything, but I think it would be better for you to see Lloyds yourselves.

Mr. BRODEUR: I think you would have more power than we would have.

Mr. BUXTON: We will do anything we can.

Mr. BRODEUR: We have been spending large sums of money to improve our route, our ports, and our shipping, and I do not know why they should continue to charge such unfair rates, especially considering that, just a few miles below, certain ports enjoy better rates of insurance than are charged as far as Canada is concerned.

On the whole I favour the motion moved by Sir David Graaff.

Dr. FINDLAY: I do not want to address myself to this matter, but may I ask whether the additional words suggested will not practically nullify the intention which Sir David Graaff has? I think it will be admittted that none of the operations to which he is alluding would then come within the prohibition intended by this resolution, because they would not be in restraint of trade.

Mr. BUXTON: If I may say so, as the resolution stands without amendment it practically implies that all shipping Conferences are necessarily disadvantageous. I say that is not the view necessarily which is held here, and the words I have proposed to add are "in so far as such Conferences are in restraint of trade." Sir David Graff's argument was that they did operate in restraint of trade in South Africa both with regard to the question of freights and the question of facilities, and in other respects I only used the expressions "in restraint of trade" because it is a common term for anything of that sort.

Dr. FINDLAY: I think it has been fairly well understood in point of law that those words would not permit this resolution to hit the cases which Sir David Graaff has mentioned.

Mr. BUXTON: May I alter the amendment I proposed—I do not think there is any difference in our views—and say, "so far as they are prejudicial to trade"?

Dr. FINDLAY: That is better.

Mr. BUXTON: I took advice on the matter, and it is the usual term used.

Sir D. De VILLIERS GRAAFF: I would prefer "prejudicial to trade" to "in restraint of trade," because the latter would imply that we were quite satisfied with the combinations and their high rates so long as we cannot prove that they are in restraint of trade, which is a very difficult thing to do.

Mr. BUXTON: I understand the point, and we will make the amendment "so far as such Conferences are prejudicial to trade."

Mr. PEARCE: We in Australia hold very definite views on this question as the result of our experience of Shipping Conferences, and I will just give one instance to the Conference—a practical illustration of how they work, not merely on our coast but also in international trade. Here is an instance given by a witness before our Shipping Commission, Mr. McPherson, who by the way is a member of the Council of the Chamber of Commerce of Melbourne: "In 1903, when I had 300 tons of iron to ship to Fremantle, I went to the shipping people to learn the rate of freight. They held a meeting, and then they gave me a quotation. They said—'You will have to pay 18*s*. a ton now, but in twelve months' time, if you confine all your shipments to the ports of the North and the West to the Companies within the ring, we will grant you a rebate of 20 per cent.' In other words, I had to leave with them a hostage of 3*s*. 6*d*. a ton on the 300 tons, and let it stay in their hands for twelve months. Had I not agreed to confine all my shipments to the Association, I should have had to charge 18*s*. a ton for the freight of the iron, and probably I should have lost the business." They handed in at that Commission the rules under which that rebate system was worked. Now as to the effect, out of 188,000 tons engaged in our Inter-State trade less than 10,000 tons were outside the Shipping Ring, and their strength and their power to control our trade was due solely and wholly to the rebate system. Now, as the result of that investigation and others, we came to the conclusion that that was not a healthy thing for our trade, and we determined to break it up, and we introduced legislation on the lines of the Sherman Act; this legislation made these rebates illegal and they have now been abolished. But I want to point out that Mr. Buxton's view that the declaring of rebates to be illegal is going to break up Conferences, or that it is to prevent any co-operation between shippers in order to secure uniformity, has not been our experience. It certainly does not allow them to tie up the shipping, but they still have their Conferences; they still tend to compete so far as the despatch of their vessel is concerned; so that the Australian experience is a complete disproof of the statement put forward by Mr. Buxton that if you do away with rebates you do away with the regularity of trade. Our experience is that it does nothing of the kind.

Mr. BUXTON: Do not say that it was my argument.

Mr. PEARCE: No; but it was quoted by you.

Mr. BUXTON: I carefully avoided giving an opinion on the matter, I think rightly, and I was only giving the arguments which you will find in the Blue Book given by the majority and the minority. I made it quite clear that it was not my argument.

Mr. PEARCE: I do not rely on it as your argument but as an argument quoted by you, which I say our experience in Australia has shown to be fallacious, that you can destroy the rebate system and still have the Conferences regulating the despatch of vessels and other matters which are a benefit to trade. So much for our coastal trade, but we have been unable to deal with the rebate system in our oversea trade, because those rebates, as in the case of South Africa, may be determined in Great Britain. We have the evidence of Sir Thomas Sutherland which was given on pages 24 and 25 of the Report of the Royal Commission on Shipping Rings which sat in

this country, in which he sets out the basis upon which they worked a similar system in connection with the oversea trade of Australia. That has been made illegal in Australia, but it still affects our oversea trade, and we say it affects it prejudicially. We say we can get all the advantages which flow from the Conference of regularity of ships and the other advantages. If the Board of Trade were applying the same legislation we have applied, and that the United States have applied, to bring about competition and freedom of trade for the shipper so far as the freights are concerned. Furthermore, we contend that it is a distinct advantage to the United Kingdom itself, and I am very much surprised that Mr. Buxton, in his appeal to the manufacturers of the United Kingdom, has not met with more support. They certainly could never have directed their attention to the evidence given before that Royal Commission which sat in this country, because had they done so they would have found on page 65 that there is a preferential tariff in operation, due to those shipping rings, that is distinctly to the advantage of the manufacturers of the United States. That is operating in regard to the freights charged between the United States and Australia to this extent. By the direct lines evidence was given that the freight on saddlery from the United Kingdom to New Zealand was 55*s.* plus 10 per cent, and from the United States of America 37 *s.* 6*d.*; castings and wood spokes in cases from the United Kingdom, 40*s.* plus 10 per cent, and from the United States of America, 37*s.* 6*d.*; bolts and nuts, castings and axles, in cases, 40*s.* from the United Kingdom and 37*s.* 6*d.* from the United States of America; duck, 40*s.* from the United Kingdom, and 37*s* 6*d.* from the United States of America. The same evidence practically is given as to the transhipment rates, at paragraph 218, on page 64: "The through rates by the White Star Line on goods carried *viâ* Liverpool were, some time ago, Mr. Tredwen stated, for a considerable period about 30 per cent lower than the rates on English goods sent by the same boats from Liverpool." I believe they go from Liverpool and then on to Australia, and 30 per cent lower is charged from Liverpool to Australia. There is a quantity of evidence given here to the same effect, which I will not quote as it is too long, but it is there and can be referred to. It bears out the point put forward by the South African delegates, that this is a question which can only be dealt with by the Government of the United Kingdom. If the government of the United Kingdom does not take action upon it this will continue to the disadvantage of British manufacturers and to the disadvantage of Colonial producers, because what is operating here is also operating with regard to our export trade. So much was that the case that we in Australia had to take very drastic action in order to secure our producers in the export of perishable products, and I have here to-day a copy of the mail contract we entered into with the Orient Mail Steamship Company, and one has only to look through that contract to see that we have definitely laid down the rates of freight on perishable products. We have also prevented them entering into any Conference agreement for the purpose of interfering with those rates. We have gone so far as to put in a clause that if they infringe any of the provisions of the Australian Industries Preservation Act, the Act which Sir De Villiers Graaff quoted, that will constitute a reason why the contract should be cancelled. In various ways throughout this contract we have had, in the interest of our producers, to tie up this company in order to secure at least one company which would treat our producers on something like a fair basis. I may say that is not a total cure for the position as far as our producers are concerned, but there is at the present time, and has been for some years, a strong agitation going on for the Government itself to take a more drastic step, and that is, to own a line of steamers from Australia to Great Britain for the direct purpose of carrying perishable products. Members may think that that arises from one political party only, but I want to tell them that one of the first public men to take action and to speak publicly on this proposition was the late Senator Robert Reid, who was a prominent member of the Free Trade Party in Australia, and who was the President of the Australasian Chamber of Commerce, and it was at the yearly gathering of that body

that he made a speech in which he advocated the Government entering into this particular business. More recently still during last year, Mr. Graham, the Minister of Agriculture in Victoria, announced that if the export trade of the Commonwealth was to be advanced, in his opinion, the Commonwealth Government would have to put on a line of steamers to prevent producers being exploited and the profits of the makers taken from them by this Conference of Shipping.

It seems to me, therefore, that we have a right to ask this Conference to express an opinion, and we have a right to appeal to the Government of the United Kingdom, for we are not asking for any restrictions on trade, we are asking for freedom of trade, and we believe this constitutes a direct hindrance on shippers; it restricts their choice of ships; it restricts the ships coming to our ports; it acts against the interests of the United Kingdom; it acts in the interests of foreign countries, and especially those countries that have such legislation as we have in that it leaves their ports free, and we accordingly support the Resolution brought forward by South Africa.

Sir JOSEPH WARD: Sir Wilfrid Laurier, I have listened to the speech of Sir David Graaff with a very great deal of interest, and I must say that the conclusion I came to upon hearing the position that he put forth was, that the people in the Union of South Africa have suffered a great deal over their shipping business. In our country years ago we went through not quite the same class of trouble, but we had to face a great deal of difficulty connected with the carrying on of the shipping trade of that country. I remember on one occasion, twelve or fourteen years ago, the Government guaranteed to provide freights by a certain line of steamers, in order to enable a satisfactory rate to be obtained for the conveyance of wheat from some of the ports in New Zealand to the old country. The result of that was, that there was an adjustment in the rates of freight which, upon the whole, was satisfactory to the shippers in the Dominion. We have had difficulties from time to time, but we have always met them locally by taking a course which we felt was sufficiently strong to enable us to have a position of affairs that suited the interests of the producers of the country.

In connection with a general Resolution of this kind, I am prepared to support it as amended because I think the Resolution ought to be put on record in order to help our friends from South Africa to obtain what they are asking for; but I want to point out in connection with this matter, where in the interests of a country like New Zealand, I for one, at all events, require to be a little careful upon questions which may appear to be very easy of securing a settlement, we have four lines of steamers, all refrigerated, running in competition to this country for the conveyance of freight brought direct from New Zealand—not steamers passing through the Suez Canal, or steamers touching at Canada, but carrying our refrigerated produce in large quantities of sheep and frozen produce direct to the old country, and we do not give any contribution in the shape of a subsidy to any of them. They are all carrying on their business without government support of any kind. We have got no less than twelve calling ports in our country which, from the geographical points as far as our producers, our settlers, are concerned, is very valuable to them. I know the condition of Australian trade quite well, and our class of trade, from the point of view of conveying our produce from New Zealand to the old country, is as different from what Australia's is as daylight is from dark. It is a perfectly common thing for any one of those refrigerating steamers to go to as many as seven, eight, and nine ports before they have completed their loading. It is not an uncommon thing on the outward voyage from England to New Zealand for shippers at the various ports, with the local sentiment which probably permeates all communities away from the towns, to ask to get their shipments from England direct to the port which serves the district that port is in, with the result that the steamers going outward from the old country have frequently to call at three and four discharging

ports. Looking at the position that the New Zealand producer is in, which is the one from our point of view in our country that we always consider, we are always working to obtain as low rates of freight as it is possible for us to get, bearing in mind the fact that we know that if we obtain a fictitiously low rate of freight for a short time, inevitably freights later go up and the consequences would be more disastrous to our people later on than if we obtained a fair rate of freight for the winter season and the summer season, with fair regularity and continuity. In our country we have no coastal rebates. If this system of rebate, the abolition of which is being urged both by South Africa and Australia, did not exist for the oversea trade in New Zealand, we would very soon put our producers who export frozen meat, sheep and lambs, and those who export butter and cheese, in a position of having to pay possibly double the rates of freight upon their frozen article, and I am going to show you why. If there were some legitimate system in operation which, while not injurious to our producers as a whole, would allow us to maintain a line of four independent refrigerated steamers of considerable cost as against the ordinary tramp steamer, which would come in and take away the class of trade outside the frozen meat and the butter and cheese, leaving that alone for the high class expensive steamers to carry on—if the ordinary tramp steamer came along spasmodically with a larger freedom of rate and in any case not requiring refrigerated steamers, they could probably carry the non-refrigerated cargo at perhaps 5s. a ton less for a short time to the old country, and in the meantime the high-class refrigerated steamers which are necessary for the preservation of the trade of New Zealand, from the point of view of our frozen meat and dairy produce would require to have the freights considerably increased, possibly doubled, on our meat and our dairy produce exported, which would be ruinous to our country.

In the Bill for Prevention of Monopolies in New Zealand, which, on behalf of the Government, I introduced last session and put on the Statute Book, on this very point of the difficulty from the position New Zealand is in, we had to be very careful as to what we did for fear of raising the freights upon the classes of produce which are two of the principal staple exports from our country; and we had to be very careful what we did for fear of bringing about direct injury to that class of our producers. We do not, as I say, give a subsidy to any of these steamers which carry our frozen meat, wool, dairy produce or any of our cargoes to the old country, and we have no intention of doing that, so far as the New Zealand Government is concerned, but the difference between New Zealand and Australia, and it may apply to South Africa, for all I know to the contrary, is that we have no such thing in our country as a deferred rebate system on the coastal trade.

Sir D. DE VILLIERS GRAAFF: There is in South Africa.

Sir JOSEPH WARD: There is not in New Zealand; we have no such thing in New Zealand as a deferred coastal rebate system.

Mr. BATCHELOR: Is not that because you have practically only one company?

Sir JOSEPH WARD: We have two large trading companies, one hailing from Australia and one owned in New Zealand, and besides we have local steamship companies carrying on business, but there is no such thing as a rebate on our coastal trade at all. But the necessity for our home export trade is that we require refrigerating steamers and cargo carriers combined, of large capacity for the purpose of taking frozen meat and general cargo from New Zealand; they must be large in order to meet the requirements of the people in the different centres, to go to a number of ports, not so many inwards as they require to go to outwards. If we had the system which Mr. Pearce suggests—and it may be perfectly right from the Australian standpoint—of allowing anyone and everyone to come as they thought proper without

refrigerators on board their steamers to carry away the unrefrigerated exports from our country in comparatively small tramp steamers, we could only do it by paying much higher rates on the frozen meat and dairy produce than our producers are now called upon to pay when a steamer carries both general cargo and frozen cargo.

With regard to the contracts for dairy produce from New Zealand, they have always been carried without the intervention of the Government; without any interposition on its part the freight for the exportation of dairy produce from New Zealand is arranged direct by the dairy companies and the shipping lines, and is competed for between the different companies with a view to their getting it on the best terms they can. We do not require to do what Australia is doing under their contract with the Orient Line. Their position is different to ours. There should be every effort made to prevent injustice being done or unfair impositions being put on the producers or on the shippers. I want to make it clear that I do not believe that the primage which was mentioned by Sir David Graaff should be dispensed with in any country without full consideration. I believe it would be a mistake for South Africa to abolish it, at least if the primage is rightly used. If the primage referred to was going into the pocket of the shipowner, then there is a great deal to be said for not having it; but a large portion of the primage is used where the shipping firm has not got its own organisation in existence for the cost and expense of securing freight, just as a wholesale merchant sends his travellers out over the country for the disposition of goods or where a man is a large purchaser and requires to send his men out to obtain satisfactory purchases.

Sir D. DE VILLIERS GRAAFF: No.

Sir JOSEPH WARD: A portion of it has to be used for the initial cost of actually carrying out the work of obtaining cargo. I do not know whether there is a different system of primage in your country, but that is, I think, the practice.

Sir D. DE VILLIERS GRAAFF: I will answer that later

Sir JOSEPH WARD: As far as I know that is the system in operation. We have had shipping fights in New Zealand in connection with our oversea produce to the old country, and we have had them for over 30 years to my own knowledge, and upon the whole we have got our export shipping business on a satisfactory footing. As a matter of fact, it is open to anyone to come along with a refrigerated steamer, and if he can bring down the rates in our country he has a free and open field to do it in. I am not putting myself in the shoes of the representative of South Africa, very far from it, because I recognise from his speech that they have difficulties there of a nature quite sufficient to suggest that they should move in order to have them abolished, and an improved condition of affairs created—but in our country we have had our shipping fights for 30 years. We suggested twelve or fourteen years ago having State-owned steamers with the object of getting our trade on a basis that was satisfactory to our country as a whole.

I want to say, Sir Wilfrid Laurier, that I support the Resolution. I felt it necessary to make the matter clear as far as New Zealand is concerned. We cannot come into line upon all the points referred to by Sir David Graaff in the course of his speech, as some would not suit the conditions of our trade.

Sir E. MORRIS: I agree.

Sir D. DE VILLIERS BRAAFF: I would like to say a very few words with your permission. I think I made it clear at the outset that we have not taken this step in consequence of what has occurred in the Conference or before the Royal Commission. We based our facts and we have taken our action in consequence of the experience which we have actually had in South Africa. Only yesterday, I think,

we all agreed that the cable companies should not be left to themselves to charge whatever they thought proper, and a Board of Control was suggested, but it appears that when we come to shipowners we must leave them to charge whatever freights they think proper. I do not agree with that.

On the question of steady freights, which both Mr. Buxton and Sir Joseph Ward alluded to, I may give a little experience of what steady freights have proved to us. I have had practical experience of it; there are the very highest class of freight, the middle freight, and the low freight. As soon as you establish the steady freights with the deferred rebate system it means that you always pay the highest freights, and you never participate in the middle or lower freights. That has been our experience. On the question of the freights not being steady and varying very much, what the producer will have to pay, if there was no such thing as a rebate, as Sir Joseph has said——

Sir JOSEPH WARD: That was not the point of my argument at all.

Sir D. DE VILIERS GRAAFF: I understood you to say that if the rebate system did not obtain only tramp steamers would come in, and I have heard that argument from shipowners often.

Sir JOSEPH WARD: What I said as far as New Zealand is concerned was, that our steamers are practically all refrigerated steamers, and require to carry a portion of ordinary general cargo as well as frozen produce, and if tramp steamers took the general cargo then the refrigerated steamers would be compelled to raise freights on frozen produce, and our producers, our frozen meat men and our dairy produce men would suffer, because no tramp steamer could take away their class of trade. There is no fluctuation in the frozen rate of freight with us; the rate is fixed for a whole season, for winter and summer, by our refrigerating companies.

Sir D. DE VILLIERS GRAAFF: Your experience has not been the experience in Australia or in America, where the steamers are also refrigerating steamers. The 10 per cent. rebate in our Colony has had the effect of keeping a steady rate, which means simply the top rate, never the middle or the lower class rate, and I think our people would prefer also to participate sometimes in the middle rate and the lower rate as well as in the highest rate. As for regular sailings, I quoted the case of the United States of America, and although there is no rebate system there, regular sailings are not affected.

As to the question of the postal contract, which Mr. Buxton has referred to, we hold that the system which the shipowners indulge in is detrimental to the best interests of South Africa and should not be continued. Therefore our Government were not prepared to support them by giving them a mail subsidy, thereby helping to keep them in the position which they command to-day. It may not be to the interests of the United Kingdom to look at it from that point of view; if the United Kingdom was as much concerned about the export of their products as we are, possibly they would see that was the right way to look at it. Until we get satisfactory transportation for our produce we cannot rest, and we hope to continue in this movement until we have secured satisfactory arrangements for the producers of our country at any rate, and, in addition to that, reasonable rates from the Mother Country to South Africa.

My friend Mr. Pearce has referred to the matter of iron, which was to have been shipped by the Conference Lines. I can give many cases of various descriptions, but as he has referred to iron, I will give one case of iron which occurred with us. For the extension of our harbour works a large number of 50-feet long iron tubes were required, and freight was inquired for from the Conference Lines, and the quotation was 11*l.* a ton to South Africa. The gentleman representing our Harbour Board was not prepared to pay the price, and he went to America. In the interval,

a little disagreement happened between the shipping companies here, and the agents were able to claim an independent ship, and that independent ship took out the same iron, as to which the quotation by the combine was 11*l.* a ton, at 45*s.* a ton. That is the effect of your combinations, and it is the fact not only from the Mother Country, but also from our Union, that so long as you have a combination, the deferred rebate is a very formidable instrument in the hands of the combination. We have not got to look at it from the point of view of the combination, we have to look at it from our producer's point of view and from our own trade point of view. So long as that continues our industries will not be able to develop as they should.

We have brought this Resolution forward in consequence of our own experience. The question of the coastal trade was touched upon. Our coastal trade is also in the hands of the combine. I believe there are only one or two local people who own ships, but if they did not conform to the combine they would soon be wiped out of the way. Therefore the Conference will understand that in this matter the Union Government of South Africa is serious, and they mean to continue doing all they possibly can to remove this incubus from South Africa.

Sir JOSEPH WARD: Hear, hear—quite right too.

Sir D. DE VILLIERS GRAAFF: With regard to the amendment suggested to the motion, which will have the effect of the Conference approving of my Resolution wherever it is prejudicial to trade, the wording is, "in so far as the operations of such conferences are prejudicial to trade." I think we, on behalf of South Africa, need have no fear to accept this, because there is not the slightest hesitation in our minds but that these Conference Lines which exist in South Africa are prejudicial to our trade.

Mr. BUXTON: I will now read the amendment so as to have it on the notes. I move as an addition to the end of the Resolution, "in so far as the operations of such Conferences are prejudicial to trade." That stands as accepted.

The CHAIRMAN: The motion as amended is accepted. That is our programme for to-day.

Adjourned to Monday next, at 11 o'clock.

ELEVENTH DAY.

Monday, 19th June, 1911.

THE IMPERIAL CONFERENCE MET AT THE FOREIGN OFFICE AT 11 A.M.

PRESENT:

The Right Honourable L. HARCOURT, M.P., Secretary of State for the Colonies (in the Chair).

The Right Honourable the EARL OF CREWE, K.G., Secretary of State for India.

The Right Honourable SYDNEY BUXTON, M.P., President of the Board of Trade.

*T. MCKINNON WOOD, Esq., M.P., Parliamentary Under-Secretary, Foreign Office.

*Sir RUFUS ISAACS, K.C., M.P., Attorney-General.

Canada.

The Right Honourable Sir WILFRID LAURIER, G.C.M.G., Prime Minister of the Dominion.

The Honourable Sir F. W. BORDEN, K.C.M.G., Minister of Militia and Defence.

The Honourable L. P. BRODEUR, K.C., Minister of Marine and Fisheries.

Australia.

The Honourable A. FISHER, Prime Minister of the Commonwealth.

The Honourable E. L. BATCHELOR, Minister of External Affairs.

The Honourable G. F. PEARCE, Minister of Defence.

New Zealand.

The Right Honourable Sir J. G. WARD, K.C.M.G., Prime Minister of the Dominion.

The Honourable J. G. FINDLAY, K.C., LL.D., Attorney-General and Minister of Justice.

Union of South Africa.

General the Right Honourable L. BOTHA, Prime Minister of the Union.

The Honourable F. S. MALAN, Minister of Education.

The Honourable Sir DAVID DE VILLIERS GRAAFF, Bart., Minister of Public Works, Posts, and Telegraphs.

Newfoundland.

The Honourable Sir E. P. MORRIS, K.C., Prime Minister.

The Honourable R. WATSON, Colonial Secretary.

Mr. H. W. JUST, C.B., C.M.G., Secretary to the Conference.

Mr. W. A. ROBINSON, Senior Assistant Secretary.

Mr. A. B. KEITH, D.C.L., Junior Assistant Secretary.

---

* Present at the afternoon sitting.

THERE WERE ALSO PRESENT:

LORD LUCAS, Parliamentary Under-Secretary of State for the Colonies;
Sir FRANCIS HOPWOOD, G.C.M.G., K.C.B., Permanent Under-Secretary of State for the Colonies;
Mr. H. LAMBERT, C.B., Colonial Office;
Sir H. LLEWELLYN SMITH, K.C.B., Permanent Secretary to the Board of Trade;
Sir WALTER HOWELL, K.C.B., Assistant Secretary to the Board of Trade;
Captain Sir A. J. B. CHALMERS, Board of Trade;
Mr. A. LAW, C.B., Foreign Office;
Sir H. H. RISLEY, K.C.I.E., C.S.I., India Office;
Mr. J. PEDDER, Home Office;
Rear-Admiral Sir CHARLES OTTLEY, K.C.M.G., M.V.O., Secretary to the Committee of Imperial Defence;
Mr. ATLEE A. HUNT, C.M.G., Secretary to the Department of External Affairs, Commonwealth of Australia;
Mr. J. R. LEISK, Secretary for Finance, Union of South Africa; and
Private Secretaries to Members of the Conference.

The CHAIRMAN: Gentlemen, the resolution* by the Government of New Zealand which appeared on the Agenda issued on Saturday as to coloured races being encouraged to remain domiciled within their own zone is withdrawn by Sir Joseph Ward; he does not want to discuss it.

Sir JOSEPH WARD: I propose, instead of moving a formal resolution, to refer to it on the question which is before us to-day.

> "That the self-governing oversea Dominions have now reached a stage of development when they should be entrusted with wider legislative powers in respect to British and foreign shipping."

The CHAIRMAN: As to the resolution of New Zealand, which appears first to-day on the corrected Agenda as to British and Foreign Shipping, I understand that it would be for the convenience of Sir Joseph Ward and probably of the Conference, that Lord Crewe should open by making some general remarks on Indians within the Dominions.

EARL OF CREWE: Mr. Harcourt, I understand it is desired that at the beginning of the proceedings I should make a few general observations, as to the principles upon which this question of Indian emigration and immigration into the Dominions is founded. Perhaps I may begin by asking for some measure of indulgence from the Conference, because I have been away from my work for some time owing to an illness from which I am happy to say I am beginning to recover, but which has laid me by for some little time. I may, therefore, I am sure, claim the indulgence of the members of the Conference.

It so happens that I have had the advantage or the disadvantage, as the case may be, of having observed this question from two different standpoints; first, for some years when I held the office which Mr. Harcourt now holds, and since then as Secretary of State for India. In both offices I have reached the conclusion that there is no question which could be discussed at this Conference more difficult, or I might even, I think, venture to say in some of its aspects, more critical than this

---

* *See* page 279

question of Indian immigration, and the treatment of those of the Indian races, or indeed of any foreign native race who find themselves within the various self-governing Dominions.

I remember some years ago making a speech at a large Colonial dinner, in which I enforced that view, and went so far as to say (if I remember aright) that if there was any question which seemed to threaten not merely the well being, but the actual existence, of the Empire as an Empire, it was this difficulty between the white races and the native races, because, I ventured to point out, as between the Dominions and the Mother Country, there could be no question, whether it was a question of commerce or a question of defence or any other of the questions which we now discuss, which could not be solved by goodwill and by good sense on both sides. But this particular question, especially as regards India, is in one sense insoluble; there is no complete and perfect solution of this difficulty between the white races and the various native races. Now, I understand that this memorandum which I have before me has been circulated to all the members of the Conference, and those who have read it will recognise that it deals both with the general principles of the question, and also with special instances of difficulty which have arisen in the various Dominions with regard either to the ingress of Indians or to the treatment of Indians when they are there. In my present remarks I propose to confine myself entirely to the first branch, namely, to the question of the principles, because the particular instances involved are more matters for the special Department involved either here or in the Dominions themselves, and from that point of view they are less suitable, perhaps, for such general discussion as takes place here as being more of a domestic character.

Now I desire to say first, that I fully recognise—as His Majesty's Government fully recognise—two facts: the first is, that as the Empire is constituted, the idea that it is possible to have an absolutely free interchange between all individuals who are subjects of the Crown—that is to say, that every subject of the King whoever he may be or wherever he may live has a natural right to travel or still more to settle in any part of the Empire—is a view which we fully admit, and I fully admit, as representing the India Office, to be one which cannot be maintained. As the Empire is constituted it is still impossible that we can have a free coming and going of all the subjects of the King throughout all parts of the Empire. Or to put the thing in another way, nobody can attempt to dispute the right of the self-governing Dominions to decide for themselves whom, in each case, they will admit as citizens of their respective Dominions.

That is one of the facts which on behalf of His Majesty's Government I fully recognise. I also recognise this—that we are or may be easily prone in this country to under-rate the difficulties which confront the Dominions in this matter, because we are not troubled to any extent by a similar problem here. It so happens that there never has been any influx of coloured races into this country on a scale which has awakened any of the difficulties, which, as I well know, confront you gentlemen in the different self-governing Dominions. From one point of view, of course, it is an advantage to an Englishman, because he is able to take an impartial view, but at the same time it may lead him—as I indicated at first—not to attach sufficient weight to the very real and undoubted difficulties which you have to encounter in settling these questions.

As regards the whole question of Indian immigration, the Dominions feel, as I understand, two separate but at the same time closely interwoven objections to the influx of a large native population into their areas. In the first place such an influx may mean, and in practice often has meant, the rivalry of cheap labour. Now this is an entirely separate difficulty from the racial difficulty to which I shall allude in a moment; but it is, of course, a very real difficulty and it is accentuated by the abandonment which we now see on the part of many of some of the old theories of political economy. Many have now abandoned, for instance, the theory that

labour can be regulated simply by the conditions of supply and demand. There are many nowadays, too, who have abandoned the theory that the remuneration of labour need necessarily stand in any very close relation to the value of the work done, and that being so, it is clear that the rivalry of cheap labour such as may be introduced from India seems a greater hardship than it did in the days of a harsher political economy which was generally accepted in Great Britain, and more or less all over the world, during the greater part of the nineteenth century. Now this labour objection would apply, and indeed in some parts of the world has applied, equally to the influx of any kind of labour depending on a lower standard of comfort whatever its colour may be, whether it be white or whether it be brown or black; and all over the world we are certainly approaching, if we have not already arrived at, the time when organised labour will seriously object to the importation of any kind of lower paid labour, whatever its colour and whatever its nationality if it is of a competitive character. This is one of the main difficulties, indeed, which is connected with this question of Indian immigration. It is quite separate from and ought not to be in any way confused with the question of what we call the colour bar. The two are often intermixed and sometimes I think objections which are really founded on one are made to rest upon the other. But as to the existence of the colour difficulty in its crudest form there can, of course, be no question whatever.

This question of colour affects individuals in this country, and I have no doubt the same applies to all the Dominions, in a very varying degree. Some people feel a natural sympathy and kindness towards the men of a coloured race. On the other hand other men, very often equally humane and with as high an ethical standard as the others, feel an instinctive distaste or even dislike to men of a different race. That is a matter which cannot be argued upon, but it is an undoubted fact, partly, I daresay, physiological as well as mental. Now certainly I am not at all disposed to under-rate the objections of a certain kind which are felt by many to a close intercourse between the white and the coloured races. If we consider, for instance, the question of marriage, the question of intermarriage between races is one which is so far singular in its application to this subject that the disapproval of marriage of a white man with a native woman, and still more the marriage between a white woman and a man of a native race, affects superior people to the greatest extent. It is one of those prejudices or beliefs which becomes stronger as people become more educated and more generally superior, and in this respect it differs from most of the easy and foolish prejudices which are held against the native races. I am disposed to go so far as to say that in most respects the less a white man has individually to be proud of, the prouder he is apt to be of his whiteness, and the more he considers himself entitled to look down upon people of a coloured race. So far as my travels about the world, which have not been inconsiderable, have led me to suppose, I should certainly go so far as to say that there is no man who is more convinced of his superiority to the members of the native races, however cultured or however superior in other respects they may be, than the mere bar-loafer whose mental horizon is habitually clouded by whisky.

Now there is no doubt, I think, that our national British traits lead us into some temptation and difficulty in this matter. I remember hearing of a witty observation made many years ago, which was to the effect that a Frenchman begins by having a good opinion of himself, but an Englishman begins by having a bad opinion of other people. I do not know whether Sir Wilfrid, who knows both races so well, would be disposed in any way to confirm that statement; but that being so, if it is so, shows, I think, what our national temptations are when we come to consider the claims and the merits of people of a race entirely different from our own. What those claims and merits are are set out in the words which are quoted on the first page of this memorandum which has been circulated, among the observations made by Mr. Chamberlain in his address to the Conference in 1897. Those words are, if I may venture to say so, well worth weighing. I will not attempt to enlarge upon

or in any way to develop what Mr. Chamberlain there so admirably said. I might, however, venture perhaps to remind you that, on the point of the national claims of Indians grounded on their past history—on their long descent—and other questions of the kind, this at any rate is not a moment when we desire to ignore those considerations. The ceremony of Thursday next, to which we are all looking forward, depends to a great extent for its meaning upon the long line of British sovereigns, through the Stuat, Tudor, and Plantagenet dynasties back to the time of the Norman Conquest and the dim ages of the Saxon Monarchy; and yet there are to be found in India those whose pride of descent is no less well founded and no less real than that of the King of England himself. Then, again, as regards history, we must never forget that not merely has India produced a great number of remarkable men both in the public service, and, to go back further, notable in ancient literature, but that she is most closely linked to a great number of the most famous men of our own race—statesmen, soldiers and others. Now, of course, these considerations do not appeal to everybody. We know very well there is a large number of persons to whom the particular appeal of history and tradition does not come home; but on the eve of the Coronation I can hardly help alluding to this particular aspect of the question. But when you pass on to personal qualities in order to decide whether a man possessess a claim for consideration, really I think the case for those who object to Indians as Indians is worse still. If "A man's a man for a' that" is to be our motto, the claim of a large number of Indians is a real and solid claim indeed. Whether we value intellectual culture, whether—apart from questions of creed—we value the religious mind, whether we value that remarkable devotion to and understanding of the things which are not seen which is so exceptionally deep in India and which, I think, appeals to many people in these harder and material days—whether, again, we value simple intellectual force, uncertain in its exercise in some directions I admit, but which in others produces as keen and fine an instrument as you can find in any part of the world—whether we value all of those things or any of them it is undoubtedly the fact that India and Indians can establish a high and real claim for our consideration, apart from all others.

I may again venture to remind the Conference, in spite of certain facts and certain difficulties which have arisen within the last few years, of the undoubted and signal loyalty of the Indian races as a whole to the British connection and especially to the British Crown. As things are, I fully admit that there is no short cut to the solution, so far as I know, in any part of the self-governing Dominions, of this question of Indian immigration by the adoption of heroic legislation—that I fully admit. But I do submit with confidence to the Conference that the relations between India and the rest of the Empire may be most materially improved by the cultivation of a mutual understanding. So far as the Indian standpoint is concerned, I quite admit that India must admit the main postulates with which I opened these observations, that is to say the undoubted liberty of the self-governing Dominions to lay down the rules of their own citizenship, and I can say cheerfully on behalf of the India Office and the Government of India that we will always do our best to explain to the people of India how the position stands in this matter. We will not encourage India in any way to develop what, as circumstances are, can only be called extravagant claims for entrance into the self-governing Dominions, and we will do our best to explain to them what the conditions of the Empire really are. In turn I think we are entitled and indeed it is our duty to ask the Ministers of the self-governing Dominions to spread within their own area in each case a realisation of how deep and how widespread, feeling on this subject in India is. As I think the memorandum points out, the question is an almost unique one in this—that it combines all sections and shades of Indian opinion all classes and all creeds and political schools—those who are most devoted to the British Crown, and those—few in number, as I hope and believe, but sometimes noisy and sometimes in their way even formidable—who desire to see the end of British rule in India—all these combine when it is a question of Indian

disability in any part of the British Empire. It cannot be denied that this difficulty is a very real asset, and a valuable asset, in India to those who are opposed to our rule there. This is an aspect which I venture to impress strongly on the Conference. It puts into the hands of those—some of them entirely unscrupulous people—who object to our presence in India and who desire to undermine the Government a weapon which they are not slow to use in attacking us. If, they ask, Indians are to suffer from disabilities in various parts of the Empire, what good is the British connection at all? Of course, it is a question which can very easily be answered, at any rate to a great extent, but put in that form it naturally makes an appeal to people who are not well informed. I may point out also that the growing tendency to apply principles of self-government to India adds greatly to the complication and difficulty of the matter, because when a legislative council, as always possibly may happen, takes occasion to make a particular protest against some legislation or some administrative act on the part of the Government of a Dominion, it becomes—as I am sure you will all be disposed to agree—a far more serious matter than if a mere uninformed grumble, perhaps in the press or elsewhere, is heard. Therefore, the further we go towards developing the power of India to govern herself the greater are the difficulties which arise on this particular question.

What I should venture to state as the lines upon which the Dominion Governments might respectively proceed involve these two considerations. I think that it is possible for the Dominion Governments, strictly within the limits which they lay down for the admission of Indians, to make the entrance of Indians more easy and more pleasant than it has been in the past. It is a matter, I have no doubt, involving some personal trouble, but I am quite certain that if it could become known that, strictly within those limits which we all agree you are entitled to exercise, the Indian subjects of the Crown will receive a real welcome when they come and will not be looked upon with distrust or suspicion, much might be done to better the relations between India and the Dominion. On the other side, as regards the protection of those who are already domiciled there, some, I may remind you, have been there for a very long time indeed. There is at any rate one of the Dominions in which Orientals have been domiciled for some 200 years.

Sir JOSEPH WARD: That point is not raised in this resolution at all, Lord Crewe—the domicile of any of the Indians.

EARL OF CREWE: No, I was merely making a general statement; it is quite true, I am not speaking to the particular resolution, but it was asked that I should make a general statement also with regard to the treatment of domiciled Indians. You know very well the matters to which Indians who are in a Dominion attach special importance. In some cases, although not in all, they attach the highest importance to the maintenance of the obligations of caste, and I should hope, therefore, that so far as possible, particularly when Indians are unlucky enough to get into trouble and have to go to prison either for offences against the criminal law or on account of resistance to regulations having the force of law, so far as possible every effort will be made to consider the force of the caste prejudices and similar prejudices which Indians possess, and to make matters as easy for them as possible in that respect.

So far as my experience goes, Ministers have shown every desire in every case in which we have appealed to them on the subject to act not merely with humanity (I am speaking, of course, of the Dominion Ministers), but in a broad-minded spirit on these questions. The difficulty, of course, does not arise, I know very well, from the views or prejudices of Ministers themselves, but it cannot always be easy for them to impress upon their subordinates, quite subordinate officials who are probably imbued with a very strong anti-colour prejudice, the importance which we attach, and which those who have to do with India and know India always attach—to what may

seem small matters of this kind. I am quite certain that I may venture to appeal to the Dominion Ministers to do all they can to inform public opinion rationally on the points that I have ventured to allude to in the earlier part of my remarks of the general claim of Indians—the members of another race—to considerate and friendly treatment as fellow-subjects and, as we hope in most cases, loyal subjects of the Crown. I think it cannot be disputed that until fairly pleasant terms exist between the self-governing Dominions and India, within, of course, I repeat once more, the necessary limitations which arise from the fact that you are self-governing Dominions, it cannot be denied that we are far from being a united Empire; however close the connection and however perfect the understanding between the Mother Country and the self-governing Dominions, we are not a united Empire unless that understanding spreads to some considerable extent also to that vast part of the Empire of which, of course, India is the most prominent division, but which also includes all the Crown Colonies which are inhabited by the various native races. We cannot be a united Empire for two reasons: in the first place, you cannot properly speak of a united Empire so long as acute and active difficulties exist between the different parts composing that Empire, and secondly—this, I am sure, will appeal to Ministers here—it is a distinct misfortune and a derogation from the unity of the Empire if the Mother Country continually finds itself implicated in difficulties between various parts of the Empire. I think it is one of the least agreeable functions which Mr. Harcourt and the members of the Government generally can have to fulfil to be appealed to from one part of the Empire to another on matters of the kind which I have indicated; and it is for that reason that we should like to institute, if possible, a first-hand understanding between the Dominions and India—without the necessity for our acting either as advocates on the one side or the other, or being called in to give an opinion.

I think that is all I have to trouble you with. I have confined myself purposely to general propositions, because this is really a matter very much more of the spirit and attitude which you can take up than of an attempt to deal with the question by a series of legislative propositions. I do not pretend, as I repeat once more, that the question is really a soluble one in the full sense—I do not think it is, but I am quite certain that if the Dominions will agree all through to show an accommodating and friendly spirit towards India, although there will be, I have no doubt, plenty of unreasonable people in India as there are everywhere, yet at the same time the best public opinion in India will recognise your efforts and will endeavour to play its part in a peaceful solution of any difficulties as they may arise.

The CHAIRMAN: As this arises on your resolution, Sir Joseph, perhaps you would like to speak now.

Sir JOSEPH WARD: I am sure we are all very much indebted to Lord Crewe for the very full and interesting statement he has made concerning the high Imperial position in the relationship of Great Britain and her Dependencies to that portion of the British Dominions known as the Indian Empire; and I want to say at once to remove any misconception that may follow from a portion of the very lucid statement made by Lord Crewe, that so far as New Zealand is concerned we not only have no unfriendliness to the Indian Empire, but we regard it as a great portion of the British possessions that is invaluable to the British Empire, and to which we have the most loyal and friendly feeling as a part of the British possessions. Nor does the question, to my mind arise in connection with this subject of whether the oversea Dominions are troubled by an accession of people from India to our countries. As a matter of fact we are not troubled in that respect at all, and that aspect of the issue does not arise and, from my point of view, does not concern the very important matter that does deeply affect the Dominion of New Zealand and, I believe, the other Dominions too, in connection with the work in which some of the Indians are engaged in competition by British-owned ships against British-owned ships, where in the case of

the oversea Dominions our ships are compelled by custom to employ white crews, and, moreover, they are compelled by law to conform to the conditions of pay, rates of hours, and all the other matters that are essential for the carrying on in a satisfactory way the business under the laws which, in the opinion of the people of New Zealand, should apply to seamen on board their ships.

I listened to one part of Lord Crewe's speech with very considerable interest. On behalf of His Majesty's Government he recognises the undeniable right of the oversea Countries to decide for themselves whom they will admit as citizens of the Empire. I have already said, although I do not think that aspect of the matter comes up, though it is valuable to the whole of us to have the information Lord Crewe has delivered, in considering the difficult matter which has given rise to the notice of motion upon the Agenda paper submitted by me, that that is one of the things that we stand out so strongly for in New Zealand, and indirectly if the question of the admission of either Asiatics or Indians or any of the other coloured races to New Zealand does not come up under this proposition, it is fully provided for under our legislation and we deal with that quite independently of this question. If the condition of affairs which exists now is permitted to go on connected with our shipping there are only two alternatives for the people who own and control the fine steamship companies manned by white officers, white engineers, and white crews; they must either transfer the registration of their ships to places beyond the oversea Dominions and follow the same course as other shipping companies of employing Lascars at low rates of wages to enable them to hold their trade in the Southern Seas where those oversea Dominions are, or they must get the Governments of the people in those countries, which in reality means the people, to alter the whole of our laws, which are of such extraordinary use to our country and of great value to the crews on board those ships, so as to relieve them from the conditions that the labour laws in the country require to be observed—the conditions of appeal to the Conciliation Arbitration Court in New Zealand which, when disputes arise, settle the wages and which must be followed by all whom it affects. The alternative to transferring the registration of these ships and giving them the right, as is the case now under the British law, of employing Lascars at low rates of pay, and then competing upon equal terms out in our seas for coastal trade or Inter-Colonial trade between New Zealand and Australia, or trade between New Zealand and the Islands—the alternative to the transfer of these ships from being owned and registered in our country and conforming to our laws there, would be to expect our countries to repeal laws which the people believe in, which are in the interest of the white crews on board those vessels, and thus force the rate of wages down to that which is paid to Lascars and Asiatics who come along in competition with the existing crews, and under existing conditions it is a most unfair competition.

Either of these propositions is unthinkable from our standpoint. First of all, why should an extraordinary and an indefensible penalty be imposed upon the enterprise of the people of a young country attached to Great Britain who, thirty or forty years ago or more, decided to have a thoroughly efficient mercantile marine owned in their own country and carrying on the work of that country both around its coasts and beyond its shores. Why should the people there, who have built up admittedly one of the finest steamship companies in the world, whose vessels are manned by white officers, white engineers, white firemen, and white crews—why, not on account of any unfriendly feeling towards the Indian Empire or the people in the Indian Empire, but because of the fact that for commercial reasons certain other steamship companies are employing Lascars at a low rate of pay, and I am not disputing the right of those companies to carry on their work as they are doing, or saying that they have not got an absolute legal right to do so—should a country like ours (I am speaking for New Zealand only at the moment although I believe Australia is in exactly the same position) be placed in this difficult position because of the action by a great and powerful British steamship company plying from

England across the seas to the Australian coast and on to New Zealand with a large number of Lascars employed on them? Why should the whole of the industrial life of thousands of people employed on board our ships not only be jeopardised but menaced with the destruction of the whole system as it stands under the existing conditions? To that I for one am anxious to do all in my power to prevent. I am always ready to spread throughout our country, if the necessity should arise to do it—and I say again there is no feeling against the Indian Empire or the Indians as a portion of the British people—the doctrines suggested by Lord Crewe to maintain the unity of the Empire, and nothing, I am sure, would be done more readily in order to maintain that unity in the Empire to which Lord Crewe has referred. But that is not the question not the point of the difficulty here. It is as certain as that I am addressing this Conference, that if the existing system goes on, one of the two alternatives I have suggested has to take place.

Now let me for one minute say that this is not a question of superiority from the standpoint of the white people to our fellow British subjects, the Indians, that is at issue. To my mind the question is that the white races and the coloured races, under the extraordinary differences in the rates of pay, under the extraordinary differences in the conditions imposed by the requirements of social life in different portions of the British Empire, the white man having in many cases to support a wife and children ashore, cannot under existing conditions work together. I am not at present going into the high social side which I believe to be of importance to the Indians as well as to the white people as to the preservation of our individual races. All recognise that not only the Indians but the Asiatics have a right to the fullest consideration upon the score of race and that their pride in their own race is probably as great as our pride in ours, that we have a right to respect that pride which they have in their race, and they in turn have a right to respect the pride we have in our race. But if this position of affairs which exists now is to continue, and I want to make it perfectly clear that we are glad to see any great British steamship line trading to our country and we hail with great pleasure their doing so on equal terms and conditions with our own ships, but the conditions under which they are trading between Australia and New Zealand and on the Australian coast too, are, I repeat, a menace to the whole of the great shipping industry which is owned and controlled and worked in those countries, unless there is some *modus vivendi* arrived at to prevent practically the destruction of the interests of the white crews on board those vessels. For my part I want to make it perfectly clear—I feel that it is due to the people in my country—that while I am as anxious as any man round this table to preserve all that would make for the consolidation and unity of the British Empire, I feel it absolutely necessary in the interests of the people of my country to ask the British Government to do all in their power—and I certainly intend, on behalf of the New Zealand Government with my colleagues, to do all in my power—to prevent what really means the wiping out of the white crews on the one hand of the vessels owned in New Zealand unless their rates of pay are lowered to an amount that could not support their wives and children ashore, or upon the other hand the necessity for the same rate of pay being paid to the Indians on board ships not only trading to New Zealand but everywhere else in order to prevent undue competition with the white crews, and I think that is defensible both from the Indian standpoint and from the British standpoint.

I listened to Lord Crewe's statement concerning the position in India with a very great deal of interest, and when he asked that the Ministers of the self-governing Dominions should spread within their own areas the views he was putting forth regarding India, I thought there was a great deal to be said for that, with this important reservation—the importance of not doing anything to help those who have their hand against the powers that be, in trying to weaken the position of the Indian Empire. But while in our country anxious and willing to do what is suggested in

that respect to the utmost of our ability, if it is a *sine qua non* that there should be the employment of a section of the British races at rates of wages and rates of pay so low, by comparison with what a white man must have to enable him to live, as would not enable him to conform to his social and domestic requirements—if we are asked to do that, then, I think, that means the destruction to a very large extent of very large sections of white British people in some of the oversea countries, and that would be simply intolerable.

The Bill which the New Zealand Government passed through Parliament last Session, and which is held over at the present moment—I knew it would be held over for the Royal Assent, because it does introduce very important provisions in connection with a matter which affects very large questions both in India and elsewhere—is really the cause of the submitting of the Memorandum from which Lord Crewe has quoted this morning relative to the British Indians in the Dominions. What does the Bill propose? I want to direct the attention of the Conference to what that Bill proposes. It proposes an alternative, and it is the alternative that is contained in this Bill, in connection with which I want to impress upon this Conference the importance of our giving effect to something of the kind unless we are going with our eyes wide open to see the destruction of the white officers, white engineers, white firemen, and white crews on board our ships that are a credit to the British flag, and certainly are prized very highly by the people in the countries where those ships are owned. This Bill proposes an alternative as I have said, and the second clause in it, the operative clause, is to this effect: "Seamen employed in ships plying or trading "from New Zealand to any port within the Commonwealth of Australia, or from New "Zealand to the Cook Islands shall be paid, and may recover the current rate of wages "for the time being ruling in New Zealand." Now, that is an operative clause which asks, in connection with British owned steamers with sections of the British races on board them of a coloured nature, that those sections should receive the same rates of pay when those steamers are trading to and from Australia, between Australia and New Zealand, and round the coast of New Zealand, or to the islands that are attached to New Zealand.

That is what that Bill first provides for, and then comes clause 3: "(1) In the "case of ships plying or trading from New Zealand to any port within the Common-"wealth of Australia, of from New Zealand to the Cook Islands, which are manned "wholly or in part by Asiatics, passenger tickets issued for passages from New "Zealand, and bills of lading or shipping documents for cargo shipped in New Zealand, "shall be liable in addition to any duty imposed under the Stamp Duties Act, 1908, "to a stamp duty equal to twenty-five per centum of the amount of the passage "money or the amount charged for freight." I want the Conference to particularly note the proviso in connection with this 3rd clause—it is that which I wish to direct special attention to. I admit at once, and I do not want any misunderstanding about it, that this 3rd clause contained in this Bill making provision for the stamping of tickets and bills of lading is, from the standpoint of what we are trying to give effect to, probably from the point of view put forth by Lord Crewe, practically saying that those ships are not to trade to our country.

I do not want to have any misconception in the mind of anybody as to what that means, because with the disabilities that it is intended to impose upon them in clause 3 there can be no doubt that in turn they could not operate successfully against any of the existing lines after having a disability of the kind imposed against them. But it is the proviso I want to direct attention to which is contained in that Bill, and I repeat for the information of the gentlemen attending this Conference that this Bill is the cause of the production of the Memorandum upon this important question to which Lord Crewe has so ably referred in the course of his speech: "Provided that where it is proved to the satisfaction of the Collector that the "provisions of section two hereof are complied with on any ship, then the provisions

"of this section shall not apply to that ship." I want to tell the Conference what that means. That means that with regard to any British-owned ships which for reasons of their own find it necessary to employ a section of British people of a different colour to the white race, or even if they were British crews who have all the protection of the British flag under the conditions which the British Government in the position it occupies of having to do justice to all parts of the British Empire required to be observed, with that proviso in there, the clause which is intended to be a deterrent, clause 3, imposing a stamp duty on the bills of lading, would be inoperative so long as those ships under clause 2 paid the same rates of pay to Lascars or Asiatics or to British crews as have to be paid in the case of the ships plying or trading around New Zealand of from New Zealand to Australia.

In these circumstances I do want to earnestly appeal to this Conference. Neither I, as the head of the New Zealand Government, nor any of my colleagues, could stand by in that country and see the practical wiping out of the shipping interests there by the insidious undermining of the whole position—I do not use the word "insidious" in any objectionable sense—by men whose requirements are ever so much less, and whose standards of living are so different from what ours are, so that it would be putting our crews in the position of either being forced down to the same rates of pay in order to allow our ships to carry on their trade in competition with the others across the ocean to Australia from New Zealand and round our coasts, or else we have to admit (to which I should take the most decided objection) that in a country like New Zealand, which in the future will be a country owning many ships and manning them with white crews, to run them, we must stop the registration of our own ships in our own territory and by doing so admit that we cannot carry on in a British Dominion the great shipping industry to which we attach importance except by the levelling down of the conditions and pay to white crews under which it is carried on. Those conditions can only be levelled down by the transfer of the vessels to some other country outside New Zealand and outside Australia, so that the all-powerful protection of the British flag over the wide interests that it represents can be given to coloured crews (some of which come from an important British Possession) on board those vessels, at rates of pay, and under conditions of labour, ever so much inferior to those the white man should be asked to accept, and which my Government representing our white people in a British Dominion are determined, so far as they can, should not exist on those vessels locally owned and sailing under the British flag.

Let me say here that I want to keep absolutely away from the consideration of the manning of ships, the difference between the admission of Indians to our country, or the admission of coloured races from any portion of the British Empire to our country, and the existing position of those who are domiciled in any overseas Dominion, though they may have been there with their families from the time they originally went, in some cases up to 200 years, as Lord Crewe said. That question is the employment of sections of that community on board ships as employees who are not admitted to the rights of citizenship, and only come to our waters to enable ships to carry on their business over the sea, are as diametrically different in my opinion as daylight from dark. With regard to the question of the general admission of coloured races to our country, Lord Crewe, in the course of his speech, said we had the right to do as we think proper in connection with the admitting of those who are to be citizens of our Dominions. That is so. That question requires to be kept entirely apart from the other, because we are not raising it here. What I am raising by the resolution is the protection of the white crews on board the ships trading with the British flag flying at their mast under conditions which the laws of our country require them to observe. If the system that goes on now is to be continued, and the laws of our country continue as they are, it means the ruin of these vessels trading in our waters unless we repeal our present laws and allow the owners of ships trading in our waters to pay the white man on board those vessels any rate of pay which they think proper. This I

am entirely opposed to, and I think it is our duty, in a country like New Zealand, to see that by legislation we impose fair conditions of work and fair rates of pay and fair hours of labour in connection with the manning and working of our shipping both between our shores and Australia, and round our coasts. I think certainly that it would be one of the most regrettable things which could happen if our shipping industry were left in this position, because it would tend to lessen the feeling of attachment and loyalty to the Empire which exists now amongst the white crews on board our vessels and in every other section of the community to which I have been referring. If a great British steamship company in England finds it necessary for its own purposes, in order to develop and carry on its business, to employ Indians on board its vessels, why should we be put in the position of reducing the conditions and pay of our men because an extremely low rate of pay is paid to our fellow subjects in India? It would be bringing the white men who compose the crews of our vessels to a position which is practically indefensible. For the preservation of that fine feeling which was referred to by Lord Crewe, in my judgment (if I may be permitted to express my individual view on the point) every government in the Empire, the British Government, and the Governments of the Overseas Dominions, should adopt the policy of urging upon the various portions of the world that every race should be relegated to its own zone. I am not going into that matter at length, but I had intended to speak upon that when dealing with questions of this kind and I just want to say that I believe in the future the necessity for our having white people in the great and growing British Possessions will be so great that it will be difficult to fill our needs even with the 300,000 people a year which was referred to as coming from the United Kingdom or a large portion of them—to the oversea countries now, and we could, beyond all question, absorb in our countries all the white people that it is possible for any of the white countries to send. The natural pride of the Indians, the Chinese, and the Japanese has as much right and title to consideration as that of the white people, upon the score of keeping their own race pure. In consequence of these extraordinary difficulties which are presenting themselves on this matter in every portion of the overseas Dominions, the Secretary of State for the Colonies, acting for the British Government, is put in an embarrassing position from time to time trying to adjust the unnatural conditions that exist as the outcome of representations made from the oversea Governments owing to the conflict of labour conditions and rates of pay and the feeling of race. Why, then, should not we take the matter up from the highest national standpoint and urge upon all the different portions of the world the desirability of having all our races kept to their own zones. The Japanese do that to a large extent now, because Japan is one of the countries which say that their race in another country must not be naturalised, and they have to stand by as subjects of the Mikado no matter to what country they go. It is of just as much importance to the Chinese to preserve their race as it is to the British people to preserve a white race, and to the Japanese to preserve their race; and so it is with the Indians. If we could in a dignified way let all those people understand what our standpoint is, and we agreed ourselves to do so, I think it would be a good thing. I do not know exactly how it is to be done, because I admit it is a very difficult matter. In the different portions of the British Empire we pass legislation that is looked upon as hurtful and distasteful to the coloured races; but if we could show them from the point of view of the preservation of the race in our own countries that we are anxious to keep out of our countries people of other races, and, therefore, urge the desirability of keeping every coloured race in its own zone, then I believe such a policy, though I admit it is an extremely difficult problem, would be a good one, because this question of the mixture of the races is one which must come up for drastic settlement in the next 20, 30, 40, or 50 years. It must be recognised that there are duties devolving upon each of the governments responsible for the governing of the races in the different countries, and I believe at some time or other in the

future we shall have to come to the question of providing for every colour going back to and keeping to its own zone.

I am particularly anxious not to take up too much of the time of the Conference, but I feel I have to speak my views upon this question. It is a matter upon which I feel strongly, and upon which the people of my country feel strongly, and what I urge is that the Conference ought to do something in the direction of what is contained in the two clauses of the New Zealand Bill to which I have referred. I want to repeat that the provision of one of the clauses of that Bill is that the owners of ships using coloured crews are to pay them the same rates of pay that we pay to our white crews, and, in the event of that not being done, the Bill gives power to impose 25 per cent additional upon the bill of lading freight, and so on, for the various purposes set forth in the Bill. If they pay the rates of pay to their coloured crews which we are paying to our white crews, then that proposal under clause 3 does not come into operation. I do ask the Conference to keep those two important questions separate—to keep the question of the introduction of the coloured races into our country out of consideration upon this matter: it does not arise at all. The question now before the Conference is as to the employment of coloured races on ships that come to our shores and go from our shores, and do not remain there at all.

Finally, I want to say upon this very important matter that I admit it is to my mind one of the most difficult questions we have to deal with, but I do urge upon the Conference with all sincerity that as the matter stands at present it is a menace to the continuation of the shipping industry owned by British people in British Dominions (though these vessels are owned in the overseas Dominions they probably have shareholders permeating the whole world over for aught I know to the contrary) and it is a menace to the position of the white crews employed on these vessels—of whom there are many thousands in New Zealand and Australia—who have their homes and families ashore. I have had the matter brought before me officially in New Zealand by men pleading earnestly for protection, and they know it means, if it is allowed to continue, their absolute destruction unless they are to accept starvation wages or, if the vessels are transferred to some other country outside New Zealand for registration, a portion of these men will be put out of employment, as they could not live for the same pay as Lascars and support their wives and children.

I beg to move the Resolution.

Dr. FINDLAY: I should like to add a few words to what Sir Joseph Ward has said. May I suggest to Lord Crewe that he overlooks one important feature of this matter, and that is that it is not in any way a racial question at all. The same law would be made applicable if these crews consisted of a race which we admitted freely to our shores.

EARL OF CREWE: I think I pointed out that the labour question was apt to be confused with the racial question.

Dr. FINDLAY: That is so.

EARL OF CREWE: This is, of course, a branch of the labour question, and I quite agree it would apply equally to the Slavonic race or any other.

Dr. FINDLAY: To any race. If that is kept clearly in view, I want to emphasise another fact, that to-day in principle, and for years past, the same law has been in existence. We protect our labourers in New Zealand by imposing a tax, in some respects prohibitive, against importations from India into New Zealand. That is how we protect workers ashore. That is not racial; it is purely economic. We say if we admit the product of cheap Indian labour into our market our white workers cannot be paid a living wage. You will observe, therefore, that it is a purely economic question. Now, in what respect is that different from the case before us? We have

white workers on our ships. It is contended that we should allow Indian workers upon other ships to come into our waters and be paid a rate lower than to-day we force by law our shipowners to pay white workers. Surely if those ships are coming into the waters of New Zealand we are entitled to require that they shall submit to the laws of New Zealand. We cannot give extra-territorial operations to the law. We recognise that it can only have operation within the territorial waters of our country. Surely it is not, therefore, in any sense objectionable on racial grounds that we should attempt to impose upon employers of brown or dark labour on ships the same obligations as to wages that we impose upon other labour employers. I make that point because it seems to me in the long discussion that has taken place there is a disposition to overlook the fact that in these cases no question of colour comes in, and there need be no apprehension on the part of the Indian worker that this law is made specially applicable to him, because, as Lord Crewe recognises, it would be applicable to any other employees.

May I make this further point: We are not attempting to disturb an existing condition or business, but we are attempting to maintain the *status quo*. We have had up to the present time white labour on our ships plying between Australia and New Zealand. It has worked well and the wages have been fair and reasonable, and they have afforded some measure of comfort to the seaman and his dependants ashore. There have come into our waters very recently ships bringing Indian sailors. We say, therefore, that we are entitled to maintain the existing state of things. We are not disturbing anything, and for that reason alone it can hardly be urged that there is anything offensive or—I forgot the phrase that is used—grievous in this legislation against our Indian British subjects.

I do not want to stress what has been said so fully by Sir Joseph Ward; but what you have to decide to-day is this: are 10,000 seamen and other workers in New Zealand to the thrown out of employment because a certain number of Indian crews are coming there? If they are to continue to come it is quite clear, as has been said, they will get the control of most, if not all, of the shipping on our side, and our 10,000 people and their wives and families will have to find different employment. It is a very serious question, and much more serious than it looks to gentlemen on this side of the world, and that accounts for the passage of the Bill which we are asking His Majesty to sanction.

Sir WILFRID LAURIER: We are prepared on our part to support the Resolution of Sir Joseph Ward, although had I had the drafting of it I would not have expressed it in the same way. The Resolution reads as follows: "That the self-"governing oversea Dominions have now reached a stage of development when they "should be entrusted with wider legislative powers in respect to British and foreign "shipping." My contention has always been and is that under our respective constitutions, at all events, the constitution of Canada, our powers to legislate for shipping are plenary, and that any legislation we pass as to shipping is not only valid but enforceable in law. But the point of difficulty is that whilst, in my judgment, the powers conferred on the Dominion of Canada to legislate on shipping, and I presume the other Dominions also, are plenary and absolute, the British Government in granting the power of self-government to the Dominions has reserved to itself the power of disallowance, and when legislation is passed of preventing the sanction and putting into force of any such legislation which they think objectionable. While, as I say, the United Kingdom here has asserted to itself the power to disallow any legislation which it is in the power of the self-governing Dominions to pass, it has been very chary of exercising that power, except in matters of shipping, whereon it has always maintained the doctrine that it had the power to supervise the legislation passed by the self-governing Dominions. That is a question of policy more than a question of law, and I do not think that we require any more power

than we have at the present time to pass an Act, and, after that Act is passed, it is valid absolutely.

Dr. FINDLAY: Are you keeping in mind the section of the Imperial Merchant Shipping Act limiting the power of the oversea Dominions?

Sir WILFRID LAURIER: I am. This power is granted to us in our Constitution, but whether it is a question of law or policy I sympathise with the object of the Resolution whether it is raised in one way or the other. I say I sympathise with that, because we in Canada intend to keep to our doctrine that our powers in shipping are plenary. But it so happens in this case the Legislature of New Zealand has passed a law which they think to be essential for the welfare of their country. The British Government have taken up the position that this is an interference with the powers that they have asserted to themselves. It is not because they think it is an infringement on their powers, but, as I think, because they believe also it is bad policy. I sympathise with the object of the Resolution whether you meet it in one way or the other, whether according to my own views or according to the views of Sir Joseph Ward and the New Zealand Government. The question is a very large one and embraces the whole policy of shipping, but it is intended to reach only one point, that is to say, the employment of Asiatic labourers in the self-governing Dominions. Lord Crewe, in the very interesting statement which he made to-day, has covered the whole ground, not only with regard to shipping, but with regard to everything in all the Dominions. It so happens that in New Zealand Asiatic labour is brought in to compete with white labour in shipping. Asiatic labour is brought to Canada chiefly to compete in such works as railways, saw mills, lumber camps, and fishing. Whether it is one kind of labour or another does not matter; the principle is the same. The question is one of very serious difficulty, and every one of us must comprehend the very careful and guarded way in which Lord Crewe has presented the case. There is the great Imperial aspect of the question; but this question would exemplify once more what, for my part, I feel very deeply upon, that in all these Imperial questions it is impossible to regulate them upon a common general system; they must be guided and governed by local circumstances. Nothing is more true than that, and this very thing emphasises it very forcibly. Sir Joseph Ward has very properly said, "We are most anxious not to do anything in our Dominion which would impair the "spirit of loyalty of the native population in India, or which would put any difficulty "in the way of His Majesty's Government in maintaining the good relations which "happily exist in India;" but at the same time the fact remains that the moment Asiatic people come into our Dominions to compete with our own labour there is a disturbance of the common conditions which, if allowed to go on, would very seriously jeopardise the British Empire. How is the matter to be solved? Lord Crewe has put the case very fairly and very moderately. He has asked two things only to be done by the oversea Dominions, as I understood him, first of all that no serious obstacle should be put by the Dominions in the way of Asiatics and Indians coming into the different Dominions. Well, I know from my experience in my country, Sir Joseph Ward, I think, knows it in his, and Australia and South Africa know it in their respective Dominions, that the moment Asiatic labour is allowed to come indiscriminately into competition with white labour there is a disturbance. It is not on account of the prejudice of colour. The prejudice of colour exists undoubtedly, but it is not a very serious factor. As Sir Joseph Ward stated this morning, the Asiatic has been accustomed to a civilisation utterly different from our own, perhaps a civilisation superior to our own, and in some respects I am prepared to concede it may be superior to our own; but the broad fact remains that, under that civilisation of ages, the Asiatic working man can work for a wage for which a white man cannot work and live, and keep his respectability. That has been the condition everywhere where Asiatic labour has come into competition with white labour, not only in the countries represented here,

but in California and everywhere else where it has taken place. I do not know what the remedy is. It may be the remedy is to keep, as Sir Joseph Ward said, every race to its own zone; but how it is to be reached I do not know. For my part, I speak for the Government of Canada, I recognise the moderation of the views presented by Lord Crewe, that these men should be treated with respect and not be discouraged. But they cannot be encouraged to come, because if we were to encourage them we would create very serious remonstrances. As far as they go the conditions that exist have to be respected as far as they can be, but I do not know that we can go much further. Lord Crewe has gone further, and said that the Indians already in the self-governing Dominions should be accorded all the privileges of British subjects. They are accorded all the rights of British subjects so far as I know; at all events they are in my country, though I know that Mr. Harcourt has received from British Columbia, in Canada, representations from the Indians who are at the present time settled there, representing to him that they are not treated as British subjects. That is a confusion in their minds. They are accorded all the rights which are inherent to British subjects; but there are many rights which they claim and which they have not, and which they suppose to be inherent to British subjects. For instance, they have not the right of giving a vote, but the right of the franchise is not a right inherent to every British subject. We saw a procession, 40,000 strong, on Saturday of British subjects who are not voters and who have no right to vote.

Sir JOSEPH WARD: Some who were there have when they are in New Zealand.

Sir WILFRID LAURIER: Some of them have not. Therefore, I say it is a confusion on the part of these people to say that they are not treated as British subjects. They are. They have all the rights inherent to British subjects, but there are to the exercise of these rights certain conditions attached, which are matters of municipal and local legislation, and which must be maintained as matters of municipal and local legislation, and that is what is objected to. I am sure we can all say to Lord Crewe that there is no disposition in any of our countries to treat our fellow subjects of India in any other manner than as belonging to the British Empire and as fellow subjects of ours, but they must recognise the difficulties there are in the matter which can only be overcome as civilisation goes on. When the man from India comes to Canada or to Australia, and is prepared to ask for the same wage, and is exactly on the same level as the white working man, there will be no trouble. So long as they are different I am afraid there will be some trouble, and, therefore, it is better to provide at once, as we have in all the respective countries we represent, against such a trouble.

Mr. BATCHELOR: The Australian view is very much in sympathy with the view put forward by Sir Joseph Ward as regards the Resolution that he has moved, and I will ask Mr. Pearce to refer to that particular point.

On the general question raised by Lord Crewe with regard to a United Empire, the mixture of black and white races, or a freer admission of them into the countries now inhabited by the separate races, I think any suggestion that would work towards that would tend to a disunited Empire rather than a united Empire. I feel that very strongly. I think we recognise that there are localities in which both black and white can live separately, and that we should have the best possible and most harmonious relations with the two races. In that way we shall maintain the unity of the Empire. I would like also to put it in this way. Taking the case of the Commonwealth; there was some years ago a very strong feeling, much stronger than there is to-day, of prejudice against Asiatics. That prejudice is very largely going. I think one of the reasons why it is very much less to-day than it used to be is because there is a better understanding, on the part of the statesmen in this country, of the position which we have taken up. There is not the same irritation caused by a wrong understanding on the part of our statesmen, or a wrong statement of the case by them of our position.

Irritating statements used to be made in the Press with regard to the position the self-governing Dominions take up on this matter. We have to-day a very much better feeling in that respect. We have been enabled so far to relax portions of Statutes in which any difference was shown with regard to the treatment of Asiatics and others. We have in two or three cases been able to carry Resolutions removing the disabilities which Asiatics were formerly under. So far has this been extended, that we got a resolution through the House of Representatives to give Asiatics exactly the same privileges in Old Age Pensions as white persons. It was defeated ultimately, and it was not finally passed into law, but that was owing to accidental circumstances which I do not think will occur again. In every possible way we seek to place those who are resident in Australia in precisely the same position as other races. We aim at that. We are not able to bring it about all at once. Any attempt by resolution which we may carry here or any suggestions which might come from any extraneous source would not be helping that matter; it has to be the growth of public spirit in each of the self-governing Dominions.

There are some statements in the General Considerations which appear in the Memorandum which one could canvas and challenge; but I may say, speaking for Australia on this matter, that this policy of exclusion of certain races has come to stay absolutely, and has to be recognised; but, subject to that, we are anxious to assist in the way of free entry to visitors, and to remove any obnoxious restrictions or regulations which are referred to here. There is one reference on page 6: "If the question "were not so grave, it would be seen to be ludicrous that regulations framed with an "eye to coolies should affect ruling princes who are in subordinate alliance with His "Majesty, and have placed their troops at his disposal," and so on. "But these Indian "gentlemen are known to entertain very strongly the feeling that, while they can "move freely in the best society of any European capital, they could not set foot in "some of the Dominions without undergoing vexatious catechisms from petty officials. "At the same time the highest posts in the Imperial services in India are open to "subjects of His Majesty from the Dominions." I want to say in reference to that that the petty official does not know whether it is a ruling prince or a coolie, and necessarily so. There is a simple way of getting over all these difficulties by intimating their desire to visit, and as far as Australia is concerned they at once get the permit which gives them free admission, and they are subject to no kind of restriction whatever, nor to any catechism. There is the permit, and that is an absolute guarantee to free right of admission. I do not know how else we could do it; you cannot expect the officials to be able to tell who their visitors may be.

EARL OF CREWE: I may say that your permit system is quite understood out in India, and I do not think any complaint has been made of it by Indians; but it does not apply all over the world, although I know it is the case in Australia.

Mr. BATCHELOR: Generally speaking, we are anxious to remove any kind of disability under which Indians may be suffering so long as it does not affect the economic and racial question which governs the whole matter.

Mr. PEARCE: I would like to say just one word with regard to shipping, as the Resolution deals mainly with that subject. We, in Australia, as you know, have dealt with this question from two sides; one in regard to our shipping law, on which we take up absolutely the some position as New Zealand, and for the same reason, and therefore I am not going over that ground again; the other is that in our mail subsidies, and in our subsidies of shipping for the purposes of trade with the Pacific, we do exclude the coloured races, and we do it for a definite purpose. We believe it is in our own interest and in the interest of the Empire also, to encourage the employment of Britishers on the shipping that carries that trade. We believe that is a sounder policy from an Empire point of view than it would be to allow that trade to drift into the hands of people who would be very little assistance to us in

time of war. The other point not touched upon in this discussion, but which I think also should be considered, is that the Resolution says that we should be entrusted with wide legislative powers in respect of British and foreign shipping. It is that point that we in Australia at the present time are somewhat concerned with, because we understand that the feeling of the British Government is that we are in some cases going further than they think we should go, and interfering with British shipping and foreign shipping, also trading to our shores. We put the view that in all the legislative provisions in our shipping law we are only aiming at one thing, and that is this, that neither British nor foreign shipping shall have an advantage over local shipping in our local waters. That is the main desire, and it is the motive animating all our legislation, and we ask in the words of the Resolution, that the self-governing oversea Dominions have now reached a stage of development when we should be entrusted with that power. Surely it cannot be held to be a hardship if we only put British shipping, and for that matter foreign shipping, on the same footing as our own and ask them to comply with that requirement.

Mr. MALAN: I would like to add a very few words to the discussion. We have listened with a very great deal of interest and sympathy to the statement which Lord Crewe has made, more particularly from the point of view of the Indian Empire. There were two questions raised, or two aspects of this matter—(1) the colour pure and simple, that is, the question of races, and (2) the question of labour. Now, I understand, from the speeches of Sir Joseph Ward, Sir Wilfrid Laurier, and Mr. Batchelor, that in their own Dominions it is the labour aspect of this question which troubles them at present. With us in South Africa it is not so much a question of labour as a question of self-preservation. We have a very large, an overwhelmingly large, African native population to deal with, and we have peculiar colour questions as between the white population and the coloured populations in South Africa. Now, what is in the minds of the people in South Africa is that if you introduce, or allow to be introduced, another colour problem by having a large Asiatic population scattered over South Africa, you will have then the native of South Africa—the aboriginal native—the Asatic coloured population, and the comparatively small European population. So it becomes a matter of self-preservation for the Europeans, and therefore I think that the Conference will recognise that as far as South Africa is concerned this is a matter of life and death to us.

I am happy to say that after a great deal of difficulty in the different parts of South Africa we are now, I believe, on the point of coming to a settlement. The question has been fully discussed between the Union Government and the Imperial Government, and there is practical agreement as to the lines on which we shall legislate in the future. As regards Indians within the Union itself the Union Government has also come to an understanding with them, and all that remains to be done now is to give legislative effect to the agreement which has been come to, and I think perhaps the less we now say on the merits of the case the better.

As regards Sir Joseph Ward's suggestion of sending them back to their own zones, or keeping them in their own zones, we know that policy in South Africa under the name of the segregation policy of keeping each one segregated in his own area, so the idea is familiar to us. Probably Sir Joseph's first difficulty will be to define the zones, and to allocate them. He may be brought into historical investigations which would be rather disconcerting perhaps. That may be a question for the future, and I am not going to express any opinion about that now. I agree with Sir Wilfrid Laurier as regards the wording of this Resolution. I first of all wish to say that certainly I never, on reading this Resolution, thought, or could think for one moment, that it referred to an Asiatic labour difficulty in Australia. It is altogether too wide in its terms, I should think, and it also implies a constitutional disability to legislate, which, I think, should be avoided, and, therefore, if Sir Joseph Ward could

confine his Resolution to the particular aspect of the question which he has in mind, I think he would certainly facilitate the passing of the Resolution.

The CHAIRMAN: Lord Crewe would like to say a very few words on the subject of the lascars. Mr. Sydney Buxton will be prepared to deal with the commercial aspect of the matter, but we shall take that this afternoon if the Conference will be kind enough to return here for that purpose.

Dr. FINDLAY: We will deal then with Resolution No. 12 and the following one.

The CHAIRMAN: Yes, this afternoon.

EARL OF CREWE: I have merely a very few sentences to say on this subject, because Mr. Buxton will deal with the Resolution from the shipping point of view and the commercial standpoint. The general statement of the principles of this Indian question, with which I ventured to trouble the Conference before, applies, at any rate on one side, to this particular Resolution of Sir Joseph Ward, because I was careful, so far as I could, to make it clear that it was a two-sided question—that there was the question of the labour difficulty and the question of the racial difficulty, which, though often interwoven, were essentially separate in character. Now on this partiicular question of the Lascars in New Zealand and Australian waters the social objection does not in the main apply. This is no doubt principally a labour difficulty, but it will be understood, I think, that from the Indian point of view it does not make the difficulty any less, or from the Indian point of view make the case any better, because of the absence of the social objection.

Sir JOSEPH WARD: But you will admit that if it is not racial then the India Office or the Indian people have no right to object on the score of race.

EARL OF CREWE: No; but it does not prevent the native Indians who are affected, or those who sympathise with them and speak on their behalf, objecting to the regulations on different grounds. In fact, as I say, they might even say that the position is worse, because some Indians might admit that the social objection to a large Indian influx into a particular Dominion had force, and they might be prepared to agree it existed; but where that does not exist they would merely say: "Oh! we "are kept out because we are prepared to ask for lower wages and are able to ask for "lower wages than the seamen who live in New Zealand." They would surely say this is in some respects a harder case than that of Indians who had settled in a particular Dominion, because these are men who are domiciled Indians, who ply their work at a distance from their homes, and in some cases directly from their homes, and yet suffer disabilities. Now it. of course, is true that this is a labour difficulty, and, as I ventuerd to point out before, it comes from the practical abdication of the old ideas on political economy; but the Indians are not likely to appreciate it more on that account. It is also necessary to say that this is not, as I think Mr. Buxton will point out, a strictly local question. The complaint is not so much that you are entitled to lay down special rules for the men who are working at sea within your waters, as that you desire to apply those rules to men who are taking, so to speak, a through journey, half round the world, and happen to touch in the course of that journey at your ports or at the Australian ports.

Sir JOSEPH WARD: You recognise that it is the economic question we are dealing with.

EARL OF CREWE: Entirely.

Sir JOSEPH WARD: Very well. The Indians would absolutely have the right, as far as their economic questions are concerned, to carry them out as they think proper to suit their race in their own territories. Surely they ought not to

object to our doing exactly the same to suit our own race in our territory. That is the point.

EARL OF CREWE: But I think it must be admitted that such a point of view cannot be expected specially to appeal to the Indians, and very largely for this reason. The desire that he should be paid the standard rate of wages is one which might in a way be supposed to appeal to him; but on the other hand he has a different and, if you like, a lower standard of comfort. There is nothing morally wrong in a man being a vegetarian and a teetotaller, and his wife and family also and being able to live very much more cheaply than people who adopt the European standard of comfort. But the standard of comfort it is desired to impose is that of a Briton, or a man of British extraction. That may be a reasonable thing to do, but it is the imposition of that standard and the accompanying rights—I do not see how you can put it in any other way—upon people who, for purposes of their own, are content with a different standard of comfort to which no moral or, indeed, social objection can be made. If a man is content to live on rice and water, and does not require pork, or beef, and rum, he naturally is able to support his family on a very much lower scale. Consequently you have to convert the entire Indian nation to a theory of economics which they certainly do not hold at present, and to which I think it would be extremely difficult to convert them.

As regards the general question on which Sir Joseph Ward has touched, as to people remaining, so far as possible, within their own areas, I may remind the Conference that when I was in Mr. Harcourt's office I instituted, with a view, as far as possible, of getting round this difficulty, an important committee, which was presided over by a very eminent ex-official, Lord Sanderson, with the object of seeing under what conditions and in what circumstances emigration from India to the Crown Colonies could best be encouraged—to the tropical colonies of the Crown. That inquiry was with the view, really, of trying to blunt the edge of this particular difficulty as regards the Dominions, and I hope that certain good results have followed from the report of that inquiry. But the larger question as to whether there is any prospect or probability that the many races of which the British Empire is composed can finally be confined, even in a general sense, to their own areas, is one which is not under absolute discussion now, and therefore I will not attempt to pursue it. As Mr. Malan has pointed out, in South Africa, at any rate, the question hinges mainly on the other side, and it is there a race question, and not an economic one, because there the question of coloured labour exists already on account of the native races which are there in such large numbers.

Mr. MALAN: In order not to be misunderstood: I would not say that there is no economic side to this question in South Africa. In Natal, for instance, it is an economic question; they want Indians to work in the sugar plantations, and so on, and, therefore, it is an economic question there.

EARL OF CREWE: I am glad you made that observation. That is quite true, but in the other Dominions the only rival to the white labourer, and also I may say to the white trader, is the imported Indian, to any great extent.

I think that is all I have to say, and I will leave the technical side of the question entirely to Mr. Buxton.

The CHAIRMAN: Then we will continue the discussion this afternoon.

After a short adjournment.

The CHAIRMAN: I think we can take Mr. Buxton's statement now.

Mr. BUXTON: I do not propose to deal with the Lascar question, which has already been dealt with by Lord Crewe, as representing the India Office, but I propose to deal rather with the Resolution which Sir Joseph Ward discussed and which he has

moved. It has been referred to in terms by Sir Joseph and by Mr. Pearce. The objection which I have to the Resolution is that it is too vague, and if carried as it stands it would not be possible for the Imperial Government to regard it as mandatory, and to introduce legislation founded on so vague and general a Resolution. If it is desirable to extend the powers of the self-governing Dominions with regard to merchant shipping, it should be possible to state precisely in what direction and to what extent, and subject to what conditions, such extension is desirable.

It must be evident that in a matter such as this, one should proceed slowly and with great caution. Everyone agrees that uniformity in the matter of shipping legislation is most desirable for overseas shipping. But the result of inconsidered action may easily be to substitute for the comparative and advantageous uniformity which now exists to a very large extent under the Imperial Act a chaos of inconsistent and overlapping jurisdictions which it would be the painful and difficult duty of future Imperial Conferences to reduce once more to something like uniformity.

The present principle of merchant shipping legislation is fairly plain and simple. Broadly speaking, the code of law that rules the ship is the code of the country of registration, and that code follows the ship round the world. This general principle is modified in its application to the various parts of the British Empire by two other principles. (1) That they have full power to regulate their own coasting trade, even though the ships engaging in it are registered in the United Kingdom or foreign countries. (2) That as regards ships other than their own registered ships, and other than ships engaged in their coasting trade, their legislative powers are restricted to their territorial limits, and are, therefore, inoperative on the high seas. There is an exception in regard to certain powers expressly conferred on Australia by section 5 of the Australian Constitution Act, which deals with so-called "round voyages," which begin and terminate within the Commonwealth.

There are various points which might be held to be included in, and covered by, this Resolution of Sir Joseph Ward's to which we could readily assent. For instance, if New Zealand desires to have some power analogous to that which Australia now possesses to regulate round voyages, or if New Zealand desires that the Dominions should be empowered to pass reciprocal legislation providing that the labour legislation of each Dominion should apply to merchant vessels registered in such Dominion while in the territorial waters of the other Dominions, we would not stand in the way. Or, perhaps, the Dominion of Canada desires, as Mr. Brodeur mentioned the other day, that steps should be taken definitely to validate certain Canadian laws affecting Canadian shipping and the Canadian coasting trade, the validity of which is in doubt.

On all these matters, though there may be difficulties in detail in arriving at a satisfactory understanding, they are not insuperable, nor is there any objection in principle. But in this case the Resolution should be more definite and restricted in its language.

But the Resolution, as I read it, and as it has been explained by Sir Joseph Ward, proposes to go considerably beyond this, and I would beg the Conference not to act with precipitation, but to give heed to the views of the United Kingdom, whose commercial stake and interest in this matter is so very great, representing as they do nearly 90 per cent. of the whole tonnage of the British Empire.

I know that the professed object, as stated several times in the course of the discussions of the Conference, is to improve the trade relations between the Mother Country and the Dominions. We much appreciate this object. But in effect will the action proposed carry out the intention? May it not tend rather to the opposite result? We want to know exactly how far, and to what extent, the Dominions desire to exercise control over the ships which come on oversea voyages to their ports, which do not take part in the coasting trade, and we have to consider what would be the effect of such legislation.

The Australian Navigation Bill, to which reference was made the other day, does not propose to impose on British and foreign oversea shipping the local legislation as

regards manning, wages, and conditions of service, accommodation, &c., which is applied to ships registered in the Dominion or engaged in the coasting trade. But I gather from the explanation of the Resolution given by the Governor of New Zealand to the Colonial Office, and from Sir Joseph Ward's speech, that New Zealand at least now wishes to go considerably further, and, to quote the words of the Governor, which was explanatory of the Resolution which Sir Joseph has moved: "desires to be freely permitted to make its labour legislation applicable to all ships, whether registered in Great Britain and Ireland, or elsewhere, while in the territorial waters of such Dominion."

As Sir Joseph Ward has pointed out, the question, from the New Zealand point of view, is one largely of economics. I understand their point of view in reference to wages, conditions of labour, and matters of that sort, and certainly I have considerable sympathy with it, and would regret to see it adversely affected. But the Resolution, as far as I understand it, would constitute a very grave departure, and would affect us very seriously over here, and it raises some important considerations which we have very carefully to examine. What does it include; and how far does it go? What are "labour conditions," to which reference has been made? These, as usually spoken of in New Zealand and Australia, comprise many matters which are not specifically dealt with, or are differently regulated, by the Imperial Merchant Shipping Acts. These "conditions" comprise two classes of questions. In the first category are questions such as the duties of various ratings on board ship, rates of wages, payments for overtime, leave, &c. These in New Zealand and Australia are regulated either by special enactments or by the awards of a court of arbitration, and therefore statutory, whereas they are regarded in the United Kingdom as matters of agreement to be settled between owners, masters, and seamen. In the other category are included questions of manning, of crew space, of accommodation of officers, and of provisions and medical scales, &c., in which the Dominion requirements, as applied to the coasting trade, differ in many respects from those imposed by the Imperial Acts on British ships; or which, as respects their own laws, are imposed on foreign ships. What is the actual proposition? Is it merely that the statutory wages prevailing in Australia and in New Zealand territorial waters should be paid while the ship is in those waters? This might conceivably be done, though it would be difficult to work out, and might be evaded.

But do not "labour conditions" go much further, and involve new accommodation, officers' accommodation, load line, coal capacity, manning scales, &c. How of the requirements involved cannot easily be varied, or varied at all, for part of a Dominion, as appears to be implied? How can special obligatory conditions as regards these matters be carried out as regards oversea and round voyages except under a system of uniformity, which can only be obtained by an Imperial Act? Most of the requirements involved cannot easily be varied, or varied at all, for part of a voyage. A British vessel to sail from the United Kingdom on a voyage which might carry her to one of these Dominions would therefore have either beforehand to comply with the varying conditions imposed in territorial waters, or would have to undergo structural alterations on her arrival in the Dominion port, which would lead to great expense and delay. These additional requirements would, it must be remembered, apply to ships which had already fully complied with all the requirements of the Imperial Acts before leaving this country, and, after all, the experience of mercantile marine matters in this country is very exhaustive. It is clear that if one Dominion or Colony is entitled to enforce its own mercantile regulations, each and all must be given the same freedom. Would not chaos then ensue if and when each Dominion or each Colony enforced its particular and varying legislation as regards manning, crew space, load line, &c.

We must not confine our attention to liners, the class of vessel usually discussed in this connection, but must consider also the case of the ordinary commercial steamers, which represent the largest part of British and foreign commerce. Take the case of a

tramp steamship owned and registered in the United Kingdom which is chartered now for a voyage to Australia or New Zealand, now to South Africa, now to Canada, according to the state of the freight market. The owner often does not know at what port the ship will touch when the voyage is begun. At present he knows exactly the conditions with which his ship has to comply, and, unless the ship is to engage in the colonial coasting trade, he knows he has no other conditions to comply with than those laid down in the Imperial Act. But suppose each Dominion could lay hold of that vessel and subject her in its ports to an entirely fresh code of regulations. alter, say, the requirements of crew space, manning, wages and food scale. Suppose, further (which is quite probable), that the Australian, New Zealand, South African, Canadian, and Newfoundland laws vary on all these different points. How can the ordinary system of shipping be carried on under such conditions; will not the trade be enormously hampered?

Then the question must also be considered from the point of view of foreign shipping and British competition with it. The Dominion conditions cannot be so adequately or effectively enforced on foreign shipping as they can on British. For example, there would be no effective means of ensuring, as might be the case with a British ship, that a foreign ship complied with the conditions once she had left the territorial waters of the Dominion. In the case of wages there would be nothing to prevent a foreign ship complying with the requirements while in New Zealand, and then reducing the wages to their original amount after leaving New Zealand waters, and even deducting the excess paid there. This they would do without leaving any trace; while in the case of a British ship, owing to the fact that seamen have to be paid off before a British officer and accounts rendered to seamen, such evasions could not be so effectively concealed.

Foreign ships, too, on leaving the territorial waters, could reconvert the additional crew space to cargo space, and they could get rid of the additional men whom they might be forced to carry at their next port of call after leaving the Dominion. Thus to give the powers sought would discriminate to the disadvantage of British ships. That this is not the desire of the Dominions may perhaps be inferred from that part of the Resolution proposed by the Commonwealth Government, and agreed to by the Conference, which refers to the securing to British ships equal trading advantages with foreign ships.

No foreign country attempts to enforce her own rates of wages or manning scales or crew space, &c., on the vessels of another country trading to her ports from abroad; nor does the Imperial Government interfere with the arrangements on board of a foreign ship while in a port of the United Kingdom except in matters relating directly to safety, such as cases of overloading, and insufficient life-saving appliances, &c.

Those who live in the stress of international competition are convinced that it is not possible effectively to impose on foreign ships regulations affecting their domestic economy. The Dominions appear to think that they can impose these conditions on foreign ships as well as British. What will be the effect of their action? If they attempt and fail—a preference will be given to foreign shipping. If they attempt and succeed—retaliation will ensue. The Germans, for instance, would not tamely submit to the imposition of such conditions on their ships. These foreign countries will say—and what would be the answer?—"You have allowed your Dominions to impose regulations in order chiefly to prevent undue competition with the local industries. We will do the same. You unduly compete in our ports to the disadvantage of our shipping. In future you must be subject to certain regulations and accommodation which will reduce your competition with us." What would be the result? The whole force and brunt of the retaliation would fall on United Kingdom shipping. The Dominions would suffer not at all or very slighly. The entrances and clearances of foreign vessels at Australian and New Zealand ports in 1908, for instance, amounted to nearly 2,500,000 tons, and of this New Zealand only

accounted for about 100,000 tons. The entrances and clearances of British ships in trade between the United Kingdom and Protectionist foreign countries alone amounted in the same year to no less than 134 million tons.

Sir JOSEPH WARD: Where does that apply to?

Mr. BUXTON: That is the United Kingdom Trade with the Protectionist foreign countries alone—134 millon tons (the total trade is very much greater than that)—whereas in the case of Australia and New Zealand the foreign clearances and entrances are 2,500,000 tons. These Tariff countries know how to retaliate, and would not hesitate to do so—Australia and New Zealand, as active Protectionist countries themselves, know this full well. The United Kingdom carries for the whole world, and this being so, a large section of our carrying trade is very vulnerable to reprisals.

I have spoken of the advantage of uniformity of mercantile laws, and in our opinion, based on great and prolonged experience, such uniformity is of the essence of successful long sea trade. I showed the other day when we were discussing the Australian resolution in reference to navigation laws, that we had, especially of late, been successful in bringing about a considerable degree of International uniformity in respect of matters pertaining to the Mercantile Marine. We desire that if possible this uniformity of legislation and of jurisdiction, without conflicting or overlapping regulations, should rather be extended than curtailed.

At the subsidiary Conference on Merchant Shipping in 1907 which arrived at most useful and unanimous conclusions, to which Sir James Mills, the head of the great Union of New Zealand Shipping Company to which reference was made, was party, and agreed to them, it was possible for representative shipowners and others to explain their case as they view it for themselves. Owing to the rules of the Imperial Conference this is not possible to-day, and therefore I am bound to do my best, as the Minister responsible for Merchant Shipping here, to put before the Conference the very grave view sincerely held by those who conduct a great British industry, of the real peril in which they believe they would stand if the proposals foreshadowed in the New Zealand resolutions as explained were adopted by the Conference.

These arguments prevailed in 1907. Surely we ought not to depart fundamentally from that policy without full and extended enquiry after very careful consideration by representatives of the different parts of the Empire, and of all the interests concerned.

As regards the resolution itself, I am afraid, for the reasons I have given, His Majesty's Government are unable to adopt it as it stands. I have endeavoured to see how far it might be amended so as to meet the various views. But I do not see that it would be possible to amend it as it stands, and I venture to hope that under those circumstances Sir Joseph Ward, having raised the very interesting discussion he has had and having been able to state his views, may be inclined not to press it, but if he does I am afraid we cannot give it our support. Especially, I may venture to make that appeal to him in view of the fact that this question of the Empire shipping was one of the points to which reference was made in Sir Wlifrid Laurier's motion for the appointment of a Royal Commission, and therefore it is one of the points which will be discussed by them and in connection with which they will have an opportunity of considering the Dominion point of view as well as the Imperial point of view and the view of those interested in the matter. What I venture to put to the Conference is this: that under present circumstances it is not possible for us to adopt such a wide resolution, that we are anxious as far as we can to maintain uniformity of legislation in this matter of the Mercantile Marine, and I have put before the Conference the views that we hold here in reference to the matter, and under those circumstances I hope Sir Joseph Ward may possibly see his way not to press the resolution.

Sir JOSEPH WARD: Mr. Harcourt, I may say that I have listened with a very great deal of interest to the important speech delivered by Mr. Buxton. May I be allowed just to say that I want to make quite clear the reason for this resolution, and

I say this because Mr. Malan, of South Africa, apparently was under the impression that this resolution was intended to deal with a racial matter, and that while the trouble in New Zealand was labour, the resolution did not meet the latter position. I would like to say, with all deference to Mr. Malan, that a resolution of this sort is necessary to enable us to give effect to what the labour conditions of our country require. The Bill, which will be found in the Blue Book which has been presented to the House of Commons submitted by New Zealand, contains clauses the effect of the inclusion of which necessitated the withholding of the Bill for the Royal Assent, so that unless there is power for the Overseas Dominions people to legislate on matters of the kind, I am afraid considerable difficulty will stand in the way.

I want to say here that I propose to put on record what the powers of the Overseas Dominions are in connection with shipping matters, because my friend Sir Wilfrid Laurier, in the speech he delivered to the Conference, expressed the opinion that they had the power in Canada to do what we are seeking to obtain. I am inclined to think that all our powers are alike, and I want to state what the legislation upon the matter is. The powers of the British Possessions to legislate on shipping matters are conferred by Sections 735 and 736 of the Imperial Merchant Shipping Act, 1894. These sections are as follows:—"735.—(1) The Legislature of any British Possession may by any Act or Ordinance, confirmed by Her Majesty in Council, repeal, wholly or in part" (it requires to be confirmed in the first instance, and then we can repeal wholly or in part) "any provisions of this Act (other than those of the Third Part thereof, which relates to immigrant ships), relating to ships registered in that possession; but any such Act or Ordinance shall not take effect until the approval of Her Majesty has been proclaimed in the possession or until such time thereafter as may be fixed by the Act or Ordinance for the purpose. (2) Where any Act or Ordinance of the Legislature of a British Possession has repealed in whole or in part as respects that Possession any provision of the Act repealed by this Act, that Act or Ordinance shall have the same effect in relation to the corresponding provisions of this Act as it had in relation to the provision repealed by this Act. 736—The Legislature of a British Possesson may, by an Act or Ordinance, regulate the coasting trade of that British Possession, subject in every case to the following conditions:—(*a*) The Act or Ordinance shall contain a suspending clause providing that the Act or Ordinance shall not come into operation until Her Majesty's pleasure thereon has been publicly signified in the British Possession in which it has been passed; (*b*) the Act or Ordinance shall treat all British ships (including the ships of any other British possession) in exactly the same manner as ships of the British possession in which it is made; (*c*) where by treaty made before the passing of the Merchant Shipping (Colonial) Act, 1869 (that is to say, before the thirteenth day of May eighteen hundred and sixty-nine) Her Majesty has agreed to grant to any ships of any foreign State any rights or privigeges in respect of the coasting trade of any British possession, those rights and privileges shall be enjoyed by those ships for so long as Her Majesty has already agreed or may hereafter agree to grant the same, anything in the Act or Ordinance to the contrary notwithstanding." It will be seen therefore that the powers are restricted to the repeal of certain provisions of the Imperial Merchant Shipping Act relating to ships registered in the possession and to the regulation of the coasting trade. Even in these two matters the Colonial Acts are not to come into force until assented to by His Majesty. I want to direct attention to what the general law is.

This Resolution consequently is intended to give us wider powers than are contained in the Imperial Merchant Shipping Act to which I have just referred, and in the case of the trouble existing in New Zealand, without the power to amend our law to meet our particular purposes, concerning which the Royal Assent is withheld in the meantime to that Bill which has passed through both branches of the Legislature in New Zealand, then we are powerless to meet that position which I indicated before that has arisen, and so is each of the self-governing Dominions

powerless to meet a position similar to that if it arises in their country. It has arisen in ours and called for legislation, and therefore that difficulty exists here now, and I am very anxious indeed to have something done to meet it.

I want to make the position quite clear about this distinction between the racial and the labour side of this proposition. If we were proposing legislation or suggesting by this Resolution something that was dealing with the racial question of British subjects in India, then the matter would be upon an entirely different basis. But it is undeniable that this is an economic question, and in all economic questions in our self-governing Dominions, and in India too, each of our countries reserves the undoubted right to have its laws applicable to the economic requirements and conditions of the respective portions, and so does Great Britain. It is from the economic standpoint that I am asking that we should have the power to deal with a question of this sort as meets the requirements of our country. For instance, to show there is no racial question raised in this Resolution, I want to say that if a ship came down to our country manned by white British crews, not by coloured crews at all, but the owners of the ship were able to obtain officers and men at a low rate of wage out of comparison with what the ruling rate of wage was, we want exactly the same power to apply to them, and we have already tried that against a local steamship company with a white crew. We had them brought before the Arbitration Court with a view to having an equal condition of affairs existing on competitive ships manned by white crews to ensure the preservation of the conditions that the labour laws of our country require shipowners to meet in connection with the manning of their ships. Those ships were not registered in New Zealand.

Although it was very interesting indeed to hear what Lord Crewe put before us regarding the general responsibility of the Empire with regard to British subjects in India, I want to again make it clear that that side of the colour question in its application to British subjects in the Indian Empire is not in any way dealt with in this Resolution nor in any way interfered with in the two clauses in the Bill which is awaiting Royal Assent at the present moment. England itself reserves the right to do that very thing; it has on the Statute Book now the power to do it and puts into operation the power which I am asking should apply to New Zealand. You have an Act upon your Statute Book here under which you can prevent anybody from any other country, or prevent your own people as a matter of fact, within the bounds of Great Britain and Ireland, from living in hovels. You can, under your Public Health Act, prevent Indian subjects who land here from doing what you think ought not to be done in your country, although in India itself they may live under conditions which you take exception to. You pass legislation to enable you to deal with matters of that kind so far as England is concerned. That is not looked upon as being a blow at the colour of the British subjects who are in India, and I want to make it quite clear that this proposal I am submitting to the Conferenece for consideration is no moree a blow at colour than that is. So for that reason I want to remove that aspect of the matter entirely from the consideration of the Conference.

In reply to the statement made by Lord Crewe, I desire to say that I recognise, as the right honourable gentleman does, that if you have a section of the British world that can live very cheaply compared with a white man, and whose responsibilities are not so great, and if you cannot preserve the conditions so as to make it possible for the white man to live, and if you cannot alter the laws under which the coloured section of the British race can live, you are certainly going to bring disaster in the wake of the white man. Although that portion of the race may be able to live under good conditions and have no weakening of their physical condition as vegetarians or living upon rice, it does not follow that because they are able to do that *per se* they should force that condition of living on the white men who cannot. Out in our

country they certainly cannot live as vegetarians, except an odd one here and there; I believe those who do get on all right, but hard working men cannot do so, and as a general rule do not; whether they can or not they do not live in that way. So that after all it does come back to the important point which I referred to before, that this legislation beyond all question is a menace to the local shipping, and especially their crews in our country; I am not over stating it when I say that, and it is recognised to a much larger extent by the officers, engineers, and crews of these vessels than by the owners even, who recognise it too, because, after all, if the owners were forced, owing to the obnormal condition of affairs, to lay their ships up, it is going to mean the introduction of other ships with cheap crews to carry that trade between our respective countries.

What I think, after the important statement made by Mr. Buxton, is that there should be something done to enable us to have this condition of affairs altered. I want to say that at the Navigation Conference in 1907, to which Mr. Buxton referred in the course of his speech, generally speaking I supported what was done at that Navigation Conference because I believed it was as far as we could possibly go, and I do not believe as a general principle in having imposed upon people, who have enormous amounts at stake in great shipping or any other organisations, conditions which will make it impossible for them to have a reasonable return on their capital and a full return in the shape of depreciation, and I do not want to see them injured in any way whatever. But since the Navigation Conference of 1907, as far as the oversea dominions go—and I am speaking for New Zealand—the condition has been altered in the direction I state. Prior to 1907 we had not that menace against the continuous employment of white crews, because I do want to re-affirm the fact that our laws which have been built up in connection with our industries in our countries make it impossible for the shipowners out there to employ their crews at lesser wages than they are doing now, and I want to point out the absolute impossibility of their standing up against that position which has occurred since the Navigation Conference of 1907, and is already making a serious inroad upon what has hitherto been regarded by the people of New Zealand as a very fine company, catering splendidly for the people generally. It is one of a number to which I am alluding for the moment, because there are several companies in New Zealand, and each of these companies feels that it is being placed in a very difficult position indeed owing to the action of a large British shipping company, a well managed company, a company against which I have not a word to say, and a company we are very pleased indeed to see in New Zealand, but only if the conditions of labour were not likely to be disastrous to the locally owned shipping.

I do not want to take up the time of the Conference further, except to say that I should like to be able to see my way to comply with Mr. Buxton's request, after having heard the position, that I should agree not to press this Resolution. I am exceedingly sorry, however, that I cannot see my way to do that. This matter I look upon as so important, so vital to the interests of the white crews in our country, so essential for the preservation of the great shipping organisations that are there—the matter is so great from the standpoint of endeavoring to meet a position that is in conflict with the conditions which exist in our country—that I can only decline to assent to the proposal. I am exceedingly sorry, under the circumstances, that I must ask Mr. Harcourt to put the Resolution to the Conference, as I desire to record my own vote upon it.

Sir WILFRID LAURIER: I stated earlier in the day that in Canada we are disposed to support this Resolution of Sir Joseph Ward's, and the discussion which has just taken place has emphasised in that direction the position we said we would take. Sir Joseph Ward has just stated that this question is governed by the Imperial Statute of 1894. That is the reason why, if it is so, I would be more disposed to

record our vote for this. The position we have taken up on this question is that by the British North American Act, the Act which constituted the Dominion of Canada, we have received plenary power to legislate on shipping. That position we take up.

Mr. BUXTON: Was not that merely a consolidating Act—the Act of 1894? It did not give further power beyond what existed before.

Mr. BRODEUR: But at the same time it repealed some sections which had been incorporated in our legislation.

Mr. BUXTON: But it was a consolidating Act, and there was no intention of either limiting or extending the existing powers.

Sir WILFRID LAURIER: Be it that it was a consolidating Act, we take up the position in Canada that we were given plenary power to legislate on shipping. Whether it be a consolidating Act or another Act, I understand that in consequence of that Act our power to legislate would have been impaired and reduced. Of course the British Parliament which has given us our constitution can take it away at any time they please, but I am not prepared to admit the proposition that unless a statute is passed specially taking away from us any of our powers, any court of law would construe any statute as taking away those powers. If it is stated in so many words, "We have given such a power to one of the Dominions, but we take it away from them here," that would raise a very big issue. I did not understand, nor do I understand now, that the Imperial Act of 1894 ever contemplated anything of the kind as to take away from us any of the powers we had.

Dr. FINDLAY: It applies to Canada as well as to New Zealand.

Sir WILFRID LAURIER: Possibly. If that was so, that seems to have been an infringement of our power granted to us by our Dominion Act, and I would like to have a judicial interpretation as to whether that is so or not, and this makes me all the more anxious to have this question pushed further to see how we stand with regard to it.

Mr. BRODEUR: May I give you an instance, Mr. Buxton, of the effect of the legislation passed in 1894 by the Imperial Parliament? In 1867, as Sir Wilfrid has said, we were given the power to legislate with regard to shipping. Acting upon this power which was granted to us, we proceeded to pass a Merchant Shipping Act, and we incorporated in our statute almost the same provisions as the ones you have in the Act of 1854. I might give you an instance of one of those provisions, the one with regard to collisions. I think the old section of the Act of 1854 declared that there was liability in the case where the accident was occasioned by the violation of the regulations. That was the Act of 1854. In 1894 the Imperial Parliament proceeded to change the Act in that respect, and they declared by—I do not remember the exact number of the section—that if any of the regulations were violated the ship was liable. The burden of proof consequently in both cases is absolutely different. What was the effect then of this change in the Merchant Shipping Act? It was simply to repeal our own provisions in our legislation, which was a copy of your own provisions of 1854. We have also the same provision with regard to the assessment of damages. I do not remember exactly the number of the section, but it was declared in the old Act that the assessment of damages would be made upon the gross tonnage, including the engine room. We have incorporated that provision now in our legislation. Now by our section of the Act of 1894* you have changed the assessment of damages. What is the result? The result is that our own legislation, which was based upon the Imperial Act of 1854, is null and void, and in that regard our power to legislate has been seriously curtailed.

* NOTE.—The reference appears to be to Section 69 of the Merchant Shipping Act, 1906.

Dr. FINDLAY: You recognise that the Act of 1894 overrides you?

Mr. BRODEUR: Yes.

Mr. BUXTON: May I say in reply that this is a point which I think Mr. Brodeur raised the other day? I am no lawyer and I am not able to give a legal opinion with regard to it, but I understood that the Memorandum I sent to Mr. Brodeur largely met his point. The point as I understand it is this. The Act of 1894 was a Consolidation Act, and a Consolidation Act necessarily repeals various Acts in force, in fact, that is the object of a Consolidation Act. It was not intended, as I understand, that that Act should either extend or diminish the existing powers. It was intended to be purely a Consolidation Act. I gather from what Mr. Brodeur has said that in his view some of the clauses have repealed certain provisions of Acts affecting the Dominion of Canada before, which gave them greater powers than the Consolidation Act of 1894 gives them. If a mistake of that kind has occurred—I think Mr. Brodeur was not in the room when I began my speech—I repeat that we should be glad in such cases as that that steps should be taken definitely to validate certain Canadian laws affecting Canadian shipping and the Canadian coasting trade, the validity of which is in doubt. I should be very glad to meet him in respect of that matter. I think Sir Wilfrid will allow me to say that the Act of 1894 was intended—at all events, so I am advised—as a purely consolidating Act, neither giving nor taking away. Obviously it repeals certain Acts, and perhaps my legal adviser may have an opportunity of looking into it in view of what Mr. Brodeur has said, and the same applies to New Zealand.

Dr. FINDLAY: It is not a purely Consolidation Act, because there are some changes made in the substantive law by the Act of 1894.

Mr. BRODEUR: On the question of collisions.

Mr. BUXTON: It is a matter of legal opinion in all these Consolidation Acts, and at all events we shall be very glad as far as we can to meet that point. Really, I do not think there is any difference between us.

Mr. BRODEUR: We now have a Bill before Parliament with the object of validating all these Acts, with the object of repealing certain sections of the Act of 1894, which conflict with our own legislation, and, of course, this will have to be submitted to His Majesty in Council.

Mr. BUXTON: We will look into it.

Mr. PEARCE: The view that the Commonwealth Government take up on this question is, that we derive our powers to legislate on this subject from the Constitution Act, and that there is no absolute limit of area, provided that the law is for the peace, order and good government of the Commonwealth and is not repugnant to an Imperial law applicable to the Commonwealth.

Dr. FINDLAY: The effect of this has not been settled by any legal authority. In New Zealand they have settled it the other way.

Mr. PEARCE: There is a difference of opinion as to the application of those words. We have taken the advice of our Crown Law Officers on it, and I have their Memorandum here, which is too lengthy to read, the general effect of which is, that unless there is some prohibition placed on some specific things to be done by us this Merchant Shipping Act does not interfere with us.

Sir JOSEPH WARD: The Courts of New Zealand have settled it the other way.

Mr. PEARCE: So far as the legislation we pass does not come into conflict with any direct prohibition, our legislation has full force under the Constitution Act.

Sir JOSEPH WARD: The Appeal Court of New Zealand, upon that question to which you referred, have decided exactly the other way with all that law before them, and it was fully argued just on the lines you are giving.

Mr. FISHER: Ours is a more recent constitution.

Sir JOSEPH WARD: But the question is the same.

Dr. FINDLAY: Yes, the question is how far the Imperial Act overrides it.

Mr. PEARCE: I will read this portion of the Memorandum* dealing with these limitations: "This legislative power has two limitations. The fact is sometimes "expressed to be that Colonial laws—except where extra-territorial operation is "expressly given to them by the Imperial Parliament—only operate within "the territorial limits of the Colony. This limitation is, however, nowhere "expressed in any Colonial Constitution. It appears to me that there may "be cases in which it is necessary for the peace, order, and good government of a "Colony that it should be able to pass a law to operate extra-territorially; and that the "grant by the Imperial Parliament of plenary legislative power for the purpose of "such peace, order and good government is wide enough to sanction extra-territorial "operation in such cases. While admittting that the cases in which the necessity "arises, and in which, therefore, the extra-territorial operation can be conceded, are "probably rare. I would prefer to state the first limitation in the words of the "Constitutional grant—namely, that the operation of the laws of a Colony is limited "to the purposes of the peace, order, and good government of the Colony."

Dr. FINDLAY: We have the same words in our Constitution.

Mr. PEARCE: "The second limitation is that a Colonial law which is repugnant "to an Imperial Act which by express words or necessary intendment is applicable to "the Colony—or repugnant to any (rule) or regulation under any such Act, is, to the "extent of such repugnancy, but not otherwise, void"—this is under the Colonial Laws Validity Act. "To create the invalidity, it is not enough that the Imperial law "and the Colonial law both deal with the same matter, and deal with it differently; "they must be actually repugnant one to the other—inconsistent one with the other. "The Colonial law may go further than the Imperial law—may require compliance "with further or more stringent conditions, but is is not therefore necessarily re-"pugnant. Moreover, it is not enough that the Imperial Act is worded so generally "that it is capable of being construed to extend to the Colony, or that it is not in "express words limited to the United Kingdom. The application to the Colony must "be either by express words or by necessary intendment, *i.e.*, it must be incapable of "being construed as not extending to the Colony. Subject to these two limitations the "legislative power of the Colony with respect to Navigation and Shipping—as with "respect to other subjects—is plenary." He then goes on to discuss the Memorandum (in the name of Mr. Cunliffe) that was put forward by the Board of Trade on various points. The Commonwealth Government take and stand by that view expressed in the words I have just read.

Sir JOSEPH WARD: May I point out to Mr. Fisher and Mr. Pearce what the position is? The position, even if you legislate upon the assumption that you have the power to do what you say, is, that the Governor-General of Australia would be bound to hold that legislation over, after it had passed through both branches of your Parliament, to be referred to the Home Government in order to obtain the Royal Assent.

*See Cd. 3023.

Mr. FISHER: I regret Sir Joseph Ward should think it necessary to put that statement in the Conference report at this stage.

Sir JOSEPH WARD: Why?

Mr. FISHER: Because it is practically saying that the Governor General would be bound to do this, that and the other.

Sir JOSEPH WARD: Pardon me, you were not here when I first stated the position.

Mr. FISHER: We have just stated our position through Mr. Pearce. You have stated that if a certain thing transpired in the Federal Parliament, and if a Bill were passed, the Governor-General would be bound to withhold it. I prefer that that matter should not be prejudiced by any outside statement.

Sir JOSEPH WARD: Then I will withdraw it, so far as Australia is concerned, and will say that, so far as New Zealand is concerned, it has already occurred under exactly the same law; and the Governor-General in your country does not act except under the Instructions he has when he receives his appointment. There was no desire or no suggestion on my part prejudicing the decision of your Governor-General; far from it. In our case we put legislation through both Houses of Parliament with clauses in to meet our purpose, and our Governor held it over and referred it to the Home Government and it has not received the Royal Assent.

Mr. FISHER: I do not wish a statement of that kind to go in unchallenged by the representatives of the Commonwealth.

Sir JOSEPH WARD: I am not saying anything against your Government, or as to what might occur with regard to your Governor-General, who will in any case do whatever he considers to be right; but I am entitled to say what has occurred to us under the same law you quote from, and I think you will find, as a matter of experience, I am not far out in saying that it has a general application.

Mr. BUXTON: The point raised by Mr. Pearce and the opinion quoted, and so on, were before the Conference in 1907.

Mr. FISHER: It is the opinion of the Crown Law Officers of the Commonwealth

Mr. BUXTON: All that was before the Conference in 1907, and was fully considered when they came to the conclusion they did at that time.

Sir D. DE VILLIERS GRAAFF: I May say we have no objection to the resolution. We have not suffered any inconvenience in connection with the shipping law. Our troubles are rather the other way—not the question of the shipping law, but rather the shipping that has given us trouble up to now. So far as we are concerned we have no objection to the Resolution.

The CHAIRMAN: Under the circumstances explained by Mr. Buxton, the British Government feel obliged to abstain from assenting to this motion, though they will not vote against it. We abstain on the ground that it is too wide for us to accept so general a declaration. Sir Edward Morris, who has had to leave, gave me authority to say that he would not vote either way on this subject if he were present. Sir Joseph Ward and Canada both vote for it, I understand.

Mr. FISHER: Our position is that we will accept this Resolution.

The CHAIRMAN: You vote for the Resolution?

Mr. FISHER: Yes; it does not limit our power.

General BOTHA: This is a legal question, and I shall also abstain from voting, because my own view is that we already have these powers, and if I voted for this resolution it might appear as if we admitted that we do not possess these powers.

Mr. FISHER: I take up the same attitude.

General BOTHA: I take it we have got the power.

The CHAIRMAN: I take it South Africa, Newfoundland, and the British Government abstain from voting.

Mr. FISHER: I thought it was perfectly clear from the statement made by Mr. Pearce that we are satisfied with the powers we have, and in assenting to this resolution we do not admit that our powers are in any way limited.

The CHAIRMAN: In fact, you do not want wider legislative powers.

Mr. BUXTON: That is the motion.

Mr. FISHER: The point is that we do not say they are limited.

The CHAIRMAN: I must take from you which way you wish to vote.

Mr. FISHER: We abstain on the ground that if we voted it might be assumed we had limited powers.

Sir JOSEPH WARD: May I be allowed to say that in New Zealand there is no doubt as to what the position is, because we have the fact on record that our Governor, in connection with legislation of the kind passed through our Parliament last session which this motion affects, held it was overriding the Imperial statute of 1894. That legislation was referred here consequently to obtain the Royal Assent. It contains a provision to meet the difficulty which exists as to the employment of coloured as against white labour. That Bill passed both branches of our Legislature and has been referred home for the Royal Assent, and is held over. As far as we are concerned we have had a case before the Appeal Court of New Zealand which does not uphold the position suggested under that law which has been read. We are governed by exactly the same law, and under the circumstances I am sorry, even though the other representatives abstain, that I must put on record my vote in favour of this Resolution.

Mr. MALAN: I would like to be quite clear on this point. Is Sir Joseph Ward's position that it was held that their Act was *ultra vires*, because it was in conflict with the Act of 1894, or was it merely a case of the exercise of the King's veto, and that the King said: "We cannot assent to this." Was it that the Act was *ultra vires*, or was it that the King refused to give his consent to the policy of the proposed Act?

Sir JOSEPH WARD: It was *ultra vires* according to the Imperial Act of 1894.

Mr. MALAN: Who held that it was *ultra vires?*

Sir JOSEPH WARD: It was referred by the Governor to the Home authorities on that ground, and it has not received the Royal Assent. There is no question about that, and in the meantime we cannot deal with the question of the regulation of the rates of pay upon steamers carrying any coloured crew or white crew receiving wages below the labour regulation wages of our country.

The CHAIRMAN: The result is that New Zealand and Canada vote for the Resolution, and the other four parties to the Conference abstain.

12. Uniformity in Immigration and Aliens Exclusion Law.

"That it is in the best interests of the Empire that there should be more uniformity throughout its centres and dependencies in the law of..... immigration, alien exclusion."

The CHAIRMAN: Do you wish to move Resolution No. 12 now, Sir Joseph, or is it sufficiently covered by the discussion we have had?

Sir JOSEPH WARD: With the concurrence of the Conference, I would be glad if Resolution No. 12 were altered slightly. Before the word "immigration" in the last line I would like to put in the word "alien" and strike out the word between "immigration" and "exclusion." It would read then: "That it is in the best "interests of the Empire that there should be more uniformity throughout its centres "and dependencies in the law of alien immigration exclusion." I desire that to be referred to the Commission to which the Conference has agreed, in order that they may inquire into it as they move around the Dominions.

The CHAIRMAN: That would be a very reasonable method of dealing with this subject. It is obviously one of much detail and could well be considered on the spot when the Commission is moving round the Empire. Is that agreed to by the Conference?

Mr. FISHER: Quite. May I say, as you are referring to it, that the words should be "it is desirable." It is very much too mandatory otherwise.

Sir JOSEPH WARD: "And it is therefore desirable that it be referred to the Royal Commission."

Mr. FISHER: I think so, it softens the blow a bit.

The CHAIRMAN: You would put it in: "And it is therefore desirable that it be referred to the Royal Commission."

[Agreed.]

Commercial Arbitration Awards.

"That the Imperial Government should consider, in concert with the Dominion Governments, whether, and to what extent, and under what conditions, it is practicable and desirable to make mutual arrangements with a view to the enforcement in one part of the Empire of commercial arbitration awards given in another part."

The CHAIRMAN: I will ask the Attorney-General to deal with the next Resolution on Commercial Arbitration Awards, which will only take a few minutes.

Mr. BUXTON: I ought to have been in the Chair at that particular Sub-Conference, but I think the members know I had unfortunately to be present at a Debate in the House of Commons when some matters were being raised on my Vote, and, therefore, I asked the Attorney-General to kindly take the Chair.

Sir RUFUS ISAACS: The resolution which is on the Agenda was passed by the Committee, but there was some discussion in reference to it, and some suggestions were made. I have incorporated those in an amended resolution which I now propose to the Conference, deleting the words at the end: "commercial arbitration

awards given in another part," and substituting certain words which I will read in a moment. The effect of the amended resolution will be that we should consider not only the enforcement of commercial arbitration awards given in one part of the Empire in another, but that we should also consider whether mutual arrangements could not be made with a view to enforcing in one part of the Empire judgments and orders of Courts of Justice given in other parts of the Empire; such judgments and orders would include judgments and orders for the enforcement of commercial arbitration awards. It would seem somewhat odd that we should begin by seeking to enforce commercial arbitration awards without taking what would be really the preliminary and more important step of ascertaining whether we could not arrive at some arrangement for mutually enforcing judgments and orders given by our Courts of Justice in various parts of the Empire. In order to carry that out the resolution will now read, as I propose it on behalf of the Imperial Government to the Conference: "That the Imperial Government should consider in concert with the Dominion Governments whether and to what extent and under what conditions it is practicable and desirable to make mutual arrangements with a view to the enforcement in one part of the Empire"—now comes the alteration—"of judgments and orders of the Courts of Justice in another part, including judgments or orders for the reinforcement of arbitration awards." I think that does carry out what the Committee evidently desired when we discussed this matter last Friday.

Sir JOSEPH WARD: I am in full accord with what was done by the Committee and I agree with the motion.

Dr. FINDLAY: The proposal would, I think, find support right through the self-governing Dominions, particularly if it provided, as no doubt ultimately it will do, that the judgment, order, or award should take effect in the country where operation is sought for it with the sanction of a judge upon notice to the other side—the same kind of provision as exists now.

Sir RUFUS ISAACS: The same as exists in our provisions for enforcing awards.

Mr. FISHER: I agree.

Dr. FINDLAY: It was suggested, and I quite agree that this should be the provision.

Mr. MALAN: Yes. I may say this amendment, as now proposed by the Attorney-General, exactly carries out what was agreed in Committee, and we are quite satisfied.

The CHAIRMAN: Then I may take it the Resolution is agreed to by the Conference.

[AGREED.]

DUES ON VESSELS PASSING THROUGH SUEZ CANAL.

"This Conference is of opinion that the dues levied upon shipping for using the Suez Canal constitute a heavy charge, and tend to retard the trade within the Empire and with other countries, and invites the Government of the United Kingdom to continue to use their influence for the purpose of obtaining a substantial reduction of the present charges."

The CHAIRMAN: Are you ready now to take the question of the Suez Canal?

Mr. FISHER: I shall be very brief, and as this Motion does not appear on the Agenda perhaps I had better read it: "This Conference is of opinion that the charges "made upon shipping for using the Suez Canal are excessive and seriously retard

"the trade within the Empire and with other countries, and invites the Government "of the United Kingdom to use their influence for the purpose of obtaining a "substantial reduction of the present charges." Since 1896 the Commonwealth Government have made repeated and continuous representations to His Majesty's Government to endeavour to get a reduction of the charges made on shipping using the Suez Canal, and reductions have been made in recent years; in 1903, 50 centimes, amounting to 5*d.*; in 1906, 75 centimes, amounting to 7½*d.*; and in 1911 (the other day), 50 centimes, amounting to 5*d.* The present rate is 7 francs 25 centimes, or equal to 6*s.*, per ton. Notwithstanding that representations have been made the Canal Company maintain that the improvements they are making in deepening and improving the Canal, and other facilities, are of more value to the shipping than an actual reduction in the rates. That is a matter, of course, which must be discussed between the shippers and the Canal Company, but we in Australia are very nearly concerned with the speed of, and the charges and burden that are placed on, the ships that carry our trade through that great waterway, and we think that a more substantial reduction than any yet made ought to be made by the Canal Company. To give an illustration : a ship of 10,000 tons, say, passing through the Canal at the present time would pay 2,900*l.* per passage. That amounts to a charge that is really embarrassing. It is true, and we ought to admit it cheerfully, that this is a private company carrying on their business in the ordinary way, and, as was stated during the preliminary discussion here, if the shippers do not desire to use that Canal they can pursue their business by another sea. That, of course, is an obvious answer from a commercial point of view. But I think there are other interests involved, and when it is pointed out that the amount paid in dues exceeds the amount of our mail subsidy you will see that the charges are very heavy and very burdensome. It is also, as you will notice by a recent report of the P. and O. Company, stated that the dues paid to the Canal Company by their ships passing through that waterway are more than the amounts paid for the wages of the whole of the crews of those ships. That is a fair illustration of the amount of those charges, and the burden that is imposed by them. It is quite true that the Company may fail with their great works, and their interests may be in danger from some uncertain event. That is always possible, and they demand very high rates of interest on that account. But, on the other hand, we have the statement made to the world by the great engineer who was responsible for the construction of the Canal, De Lesseps, that when the dividend amounted to 25 per cent, they intended to reduce the rate to, I think, about 5 francs per ton. At this time, that would mean a reduction of 33⅓ per cent. on the present rates. Now, as a matter of absolute fact, the average rate paid has been from 25 to 28 per cent., and if that promise were redeemed to the public it would largely help us, and it would not do serious damage to the interests of the Canal Company.

That is one side of it. His Majesty's Ministers are large shareholders in this Company, and apart from any commercial aspects of it, I think we are not going beyond our rights and bounden duty now to again bring this matter before them, and ask that they should use their influence in every possible way to get these charges reduced to the amount promised by the great engineer who constructed the Canal.

The Suez Canal is our most speedy and convenient route to Europe at the present time, and we desire that it should be used by our mail steamers, but there are other routes which have been discussed at this Conference, and we have now our great sister Dominion of South Africa with us for the first time at this Conference, and it will be undoubtedly the duty of that great Dominion and the Commonwealth to ascertain if they cannot find relief in other quarters. I do not utter that at all by way of a threat to influence the Canal Company. They, no doubt, know best how to conduct their own business; but we make an earnest appeal to the Government in the first place, and to the Company in the second place, for a further reduction in rates.

These are all the material points I need put forward at the present time. It is a matter of deep concern to us. We hope that if the rates were reduced we might in some small way be able to turn even a larger volume of shipping through that Canal than goes at the present time, and I trust, Mr. Harcourt, that no effort on behalf of His Majesty's Ministers will be spared to bring this proposal to a successful issue. I do appeal to you and ask you to convey to your colleagues that we are in deadly earnest about this matter, and we hope that immediate and strong representations may be made, and we shall be glad to be associated with you when they are made.

I do not think I need say more than to express admiration of the pluck, courage, and foresight of those who constructed that Canal, nor can we withhold some praise for the manner in which the business has been conducted. It is a great waterway, and while I for one congratulate them on the return made on their capital outlay, I do hope that they will give some consideration to the question as we have presented it.

The CHAIRMAN: Mr. McKinnon Wood will speak on behalf of the Government for the Foreign Office.

Mr. McKINNON WOOD: The British Government entirely sympathise with the view that has been expressed by Mr. Fisher in this matter, and as he has referred to the fact that we are considerable shareholders in the Suez Canal, I might say that we have always regarded the interests of shipowners and of shipping in this connection as more important than our interest as shareholders. We have never allowed our interest as shareholders to deter us for one moment from pressing for such reductions in the dues as we thought were at all possible. The Suez Canal Company were making certain reductions. They gave us a reduction of 50 centimes as from January 1911.

Mr. FISHER: That is 5*d*.

Mr. McKINNON WOOD: Yes; and there is a proposal now for another reduction of 50 centimes as from January 1912, and it is very encouraging to find that the Administrative Council, in their Report to the General Council of the Suez Canal Company, stated that they were convinced that the reduction was in the interests both of the shareholders and the shipping, since each reduction was a stimulus to the trade; and, they added that their receipts so far this year, though lessened by the reduction of the dues which came into force on January 1st, had been very largely made up by an increase of traffic.

Mr. FISHER: That is a good reason for reducing it a third.

Mr. McKINNON WOOD: That is very satisfactory. Of course we can only exercise our influence in the matter. We have no dominant voice; we cannot dictate to them in the matter. As Mr. Fisher recognised in his speech, we have only about one-tenth representation on the Board of the Suez Canal Company; but what I want to say to the Conference most of all is that we do look upon this question of reduction of dues exactly in the same light as Mr. Fisher regards it, and the fact that we happen to be shareholders in the Company will not at all induce us in any way to relax our efforts to obtain further reduction of the dues.

I would like to ask Mr. Fisher if he can see his way to make a little verbal amendment in his resolution which we could very well accept in that form—if he would put in instead of the words "use their influence"—"continue to use their influence," as a recognition that we have been doing it, to which I suppose he sees no objection.

Mr. FISHER: I do not object.

Mr. McKINNON WOOD: And perhaps he would not mind altering the words in the first line in this way: "This Conference is of opinion that the dues levied upon

"shipping using the Suez Canal constitute a heavy charge, and tend to retard the "trade within the Empire, and with other countries." Instead of saying: "are exces- "sive and seriously retard," say "constitute a heavy charge and tend to retard."

Mr. FISHER: I see no objection.

Sir JOSEPH WARD: I think under those circumstances we could accept this Resolution.

Mr. FISHER: You do not alter it in any way to weaken that?

Mr. McKINNON WOOD: No.

Sir FREDERICK BORDEN: In view of that amendment I agree to the Resolution.

Sir JOSEPH WARD: I agree also. I think the amendment meets what Mr. Fisher wants just as strongly as the original Resolution; but as Great Britain has only one-tenth of the representation, I quite foresee the desirability of being a little diplomatic in the wording of the Resolution. In New Zealand we take up exactly the same standpoint as Australia. We are not doing anything like the amount of trade through the Canal that we do by direct steamer with England; but we have for years been giving a considerable contribution for our mails, and we also pay an annual subsidy to steamers to connect weekly with the steamers going through the Canal, and a considerable proportion of passengers go by those steamers from New Zealand. But there is a class of people in our country who know the conditions connected with the Suez Canal, and that is the producers, who have been exceedingly sore for many years owing to the heavy imposts levied on ships, because they look upon it as a route which would be availed of by some of the direct liners if the charges were low enough. I have for years in my own country spoken about the heavy charges, and at previous Conferences here I have brought the matter up. What we feel is that while the Suez Canal is a magnificent asset from a strategical point of view, and reflects the highest credit upon the great intellect which at the proper time stepped in and secured an interest in it for England, yet it was never contemplated to allow it to be used as a colossal dividend-earner at the expense of the ships, their cargoes and passengers, and the extraction of such enormous dividends from the Suez Canal is injurious to trade and detrimental to the best interests of the old country as well as of the oversea Dominions. It is at present a prohibitive toll bar of the sea, and the high charges are so excessive that they should be materially reduced.

General BOTHA: We agree.

The CHAIRMAN: Then the Resolution as amended is carried.

Mr. FISHER: I am pleased with the reception which the motion has met with, and I hope it means business. We pay 170,000*l.* a year to accelerate the mails of Australia and New Zealand. We cannot help New Zealand very much.

Sir JOSEPH WARD: No, we pay all our own. You do not pay anything for New Zealand.

Mr. FISHER: But very few from New Zealand go that way.

Sir JOSEPH WARD: Very few what?

Mr. FISHER: Letters.

Sir JOSEPH WARD: We send the bulk of our letters that way. We pay 15,000*l.* or 16,000*l.* a year for connecting steamers alone, in order to enable our mails to go through the Suez Canal, and we pay in addition full Postal Union Rates for the conveyance of our mails by the Suez Canal route.

Mr. FISHER: But some of them go by our boats, as it is more convenient.

Sir JOSEPH WARD: We pay for that independently.

Mr. FISHER: I know you pay, but I am only pointing out how we are both paying for a quick service. That is the object.

Sir JOSEPH WARD: It is not your subsidised service alone that we patronise; our mails go by every weekly steamer, and we pay full rates for the carriage of our mails by all of them.

Mr. FISHER: We want to get a quick service; we desire speedy communication and comfortable accommodation; any reduction they make of course will probably give us no advantage as a Government. We shall still continue to contribute to give them bigger ships, better ships, and more trade. There is also other trade which is not so urgent as the mails, and even if we get a reduction, the route viâ South Africa will ultimately be a convenient way to send those of our ships which are not in such a great hurry as those carrying mails.

The CHAIRMAN: The Resolution is accepted unanimously.

General BOTHA: Australia and South Africa will stand together, and build their own line.

Mr. FISHER: That is a matter which we shall have an opportunity now of considering.

General BOTHA: I am quite prepared to consider it with you.

The CHAIRMAN: We shall only have 11 to 1 o'clock, or a little less, for the final sitting of the Conference to-morrow. There will be the Resolution, in two parts, of the Commonwealth of Australia: (1) "That in the opinion of this Conference "it is desirable that the Ministers of the United Kingdom and the Dominions should "between Conferences exchange reciprocal visits so as to make themselves personally "acquainted with all the self-governing parts of the Empire." The second is: "That "the Government of the United Kingdom should take into consideration the possibility "of holding the next Conference in one of the Overseas Dominions." Then will come the Draft Report of the Committee on Military subjects, which I understand is likely to be ready for submission to the Conference to-morrow; and then we must discuss at our final meeting the question of the publication of our proceedings, which I hope will be published as rapidly and as fully as possible.

Adjourned to to-morrow at 11 o'clock.

TWELFTH DAY.

Tuesday, 20th June, 1911.

The Imperial Conference met at the Foreign Office at 11 a.m.

Present:

The Right Honourable H. H. ASQUITH, K.C., M.P., President of the Conference.
The Right Honourable L. Harcourt, M.P., Secretary of State for the Colonies.
The Right Honourable Viscount Haldane of Cloan, Secretary of State for War.

Canada—

The Right Honourable Sir Wilfrid Laurier, G.C.M.G., Prime Minister of the Dominion.
The Honourable Sir F. W. Borden, K.C.M.G., Minister of Militia and Defence.
The Honourable L. P. Brodeur, K.C., Minister of Marine and Fisheries.

Australia—

The Honourable A. Fisher, Prime Minister of the Commonwealth.
The Honourable E. L. Batchelor, Minister of External Affairs.
The Honourable G. F. Pearce, Minister of Defence.

New Zealand—

The Right Honourable Sir J. G. Ward, K.C.M.G., Prime Minister of the Dominion.
The Honourable J. G. Findlay, K.C., LL.D., Attorney-General and Minister of Justice.

Union of South Africa—

General The Right Honourable L. Botha, Prime Minister of the Union.
The Honourable F. S Malan, Minister of Education.
The Honourable Sir David de Villiers Graaff, Bart., Minister of Public Works, Posts, and Telegraphs.

Newfoundland—

The Honourable Sir E. P. Morris, K.C., Prime Minister.
The Honourable R. Watson, Colonial Secretary.

Mr. H. W. Just, C.B., C.M.G., Secretary to the Conference.
Mr. W. A. Robinson, Senior Assistant Secretary.
Mr. A. B. Keith, D.C.L., Junior Assistant Secretary.

There were also present:

Lord Lucas, Parliamentary Under Secretary of State for the Colonies;
Mr. Atlee A. Hunt, C.M.G., Secretary to the Department of External Affairs, Commonwealth of Australia.
Mr. J. R. Leisk, Secretary for Finance, Union of South Africa; and
Private Secretaries to Members of the Conference.

Publication of Proceedings.

Mr. HARCOURT: It is proposed to publish the précis of the meetings of the Conference which has been issued from day to day, and which, I am sure, we shall all agree has been admirably done, in a complete form as a Parliamentary Paper, as soon as possible after the close of the Conference. The précis of the Conference of 1907 was published in a similar manner. With regard to the publication of the full proceedings of the Conference, it is proposed that the précis of to-day and the proceedings of the Conference when published, should contain the following statement:—"The Conference discussed the question of the publication of the proceedings, and decided that they should be published at as early a date as possible." I hope we may be able to get the full proceedings of the Conference out in about three weeks.

Naval Defence.

With regard to the South African Resolution, No. 3: "That wherever votes in favour of monetary contributions towards Imperial Naval Defence are made by the overseas Dominions, any naval services rendered or provision for coastal defence, if any, of the Dominions, with the approval of the Admiralty be borne on such votes." I understand the matter is under discusssion between the South African representatives and the Admiralty on behalf of His Majesty's Government, and it is agreed by General Botha that he will be satisfied if the conclusion arrived at is embodied in correspondence for inclusion amongst the Papers of the Conference.

Imperial Court of Appeal.

Perhaps first, we ought to deal with the Paper which is on the table now, a summary of the proposals made by the Lord Chancellor with regard to the Supreme Court of Appeal. If that is approved by the Conference it can go into the papers which will be published in the Bluebook.

The PRESIDENT: The Resolution was passed on the 12th June. "That having heard the views of the Lord Chancellor and Lord Haldane, the Conference recommends the proposals of the Government of the United Kingdom be embodied in a communication and sent to the Dominions as early as possible." This is in response to that Resolution.

Viscount HALDANE: This is in response to that Resolution and as far as I know, accurately represents, what was decided at the Conference.

The PRESIDENT: Yes, it seems to be so.

Mr. BATCHELOR: It adds two judges and it alters the practice.

The PRESIDENT: Yes, it alters the practice as far as the Privy Council is concerned.

Mr. BATCHELOR: Any dissentient judge will be free to give his views.

Viscount HALDANE: That is so.

The PRESIDENT: That is the point to which great importance was attached; and it further provides that as far as possible a full Court shall sit in all cases—that is to say, sit one week for House of Lords cases, United Kingdom cases, and the next week for Dominion cases.

Sir JOSEPH WARD: This carries out exactly what we agreed upon, and it is all right.

The PRESIDENT: Yes, we may take it that that puts in form what the Conference really agreed to, and it is approved.

Report of Committee on Defence.

Mr. HARCOURT: Then there is the Report of the Committee of the Imperial Conference convened to discuss Defence, Military Matters, at the War Office. That is before the Conference now in a Paper. Assuming that that Report is approved, it is proposed that the précis of to-day and the proceedings of the Conference when published should contain the following statement on the matter: "The Conference received and approved the Report of the Committee on Military Defence, which had held two sittings at the War Office, under the Chairmanship of the Chief of the Imperial General Staff"—and the report will be included in the papers of the Conference.

(Mr. PEARCE here referred to the question of the Conferences which were taking place at the Admiralty with the representatives of the Dominion of Canada and of the Commonwealth of Australia with regard to he status of the Dominions' naval forces and their co-operation with the Royal Navy, and it was agreed, on the suggestion of Mr. Harcourt, that a memorandum embodying the conclusions reached should be incorporated among the papers published in connection with the Imperial Conference.)

Reciprocal Visits of Ministers.

(*a*) That in the opinion of this Conference it is desirable that Ministers of the United Kingdom and the Dominions should between Conferences exchange reciprocal visits so as to make themselves personally acquainted with all the self-governing parts of the Empire.

(*b*) That the Government of the United Kingdom take into consideration the possibility of holding the next meeting of the Conference in one of the oversea Dominions.

Mr. FISHER: I have ventured to bring this motion before the Conference for this reason. Great advantage has arisen through these Conferences having met in London, and the Dominions have benefited by the discussions that have taken place. All the members of the Conference will remember that when it first met there was a doubt as to its utility.

I believe the time has come when it should be recognised that greater advantage would arise if this Conference could possibly meet in the Dominions or at other centres. Our resolution that I submit is: "(A) That in the opinion of this Conference it is desirable that Ministers of the United Kingdom and the Dominions should between Conferences exchange reciprocal visits, so as to make themselves personally acquainted with all the self-governing parts of the Empire. (B) That the Government of the United Kingdom take into consideration the possibility of holding the next meeting of the Conference in one of the oversea Dominions." I do not want to labour it. I do not want to embarrass the Ministers of the United Kingdom in any way; but I do say few of them have any conception of the kindly welcome that would be given to them if they were able to visit our oversea countries. I do impress upon you, Mr. Asquith, and those with whom you are associated as your Ministers, the advantage it would be to us to have these visits. I shall not press that part of it. The time at their disposal I know is limited; but, at any rate, the advantage to be gained by being personally acquainted and having personal knowledge would be very great indeed. We had the pleasure of meeting Sir Charles Lucas in our Dominion of the Commonwealth, and it has been a great advantage to

us to have that visit from him; but, while that is true of the permanent head of a Department of the Colonial Office, it would be to a greater extent true, regarding any Minister of the United Kingdom who could come and honour us with a visit.

The second part of the resolution is one of greater consequence, that the Government might be asked to take into consideration the question of whether a Conference or Conferences should be held outside London, because that is practically what it comes to. I am strengthened in my view in this matter because you do not hesitate to go to other centres to discuss Treaties; you send your important representatives, sometimes Ministers of the highest standing, to different parts of Europe to discuss, negotiate, and settle Treaties. Now the discussions at this Conference, in my opinion, will have as great an effect upon the government, safety, and progress of the whole Empire as even some of the great Treaties have had; and it is for those reasons that I venture to submit this resolution, not dogmatically nor demanding that it should be done, but that the matter be taken into your most serious consideration with a view to discovering whether anything of the kind can be done. I have my own views about the Conference. I believe that the time is not far distant when we shall have even a larger number of representatives at this Conference. In your own words, Mr. Asquith, the genius of the British people seems to have been able to discover a method not only of uniting our own people, but helping in a great many cases to unite other people in peace and amity and to promote progress.

Sir WILFRID LAURIER: I altogether approve the suggestion of my friend, Mr. Fisher. He has put the case as admirably as it could be put in everything that he said, and I humbly commend it to your consideration if you can find time to do what he proposes.

Sir JOSEPH WARD: Mr. Asquith, I should like to endorse the sentiments so well expressed by Mr. Fisher and Sir Wilfrid Laurier, and to say that if it was possible for one of His Majesty's Ministers to visit the oversea Dominions, I am persuaded it would do an immense amount of good. The Secretary of State for the Colonies I know must have heavy duties attached to his office to which he must devote his attention as his work is so widespread over the British Empire, but the people of our countries would hail a visit of that kind from the standpoint of regarding it as being a practical work for the benefit of the Empire, and I know of nothing that would do so much good as if a gentleman in the position of Mr. Harcourt could during his terms of office come out to our countries. I am sure it would be an immense satisfaction to the people, and from the practical standpoint would do an immense amount of good.

Regarding the second proposition, while I am prepared to support it, still I foresee great difficulties in connection with it. I do not see how, speaking frankly, it is possible for all the machinery requisite for the Imperial Conference to be transferred to any one of our oversea Dominions, and a conference would be of little practical use without it. If His Majesty's Government can see their way clear to do that, however, I agree with Mr. Fisher that it would be of immense service, and I should be exceedingly pleased to learn that it could be carried out.

General BOTHA: Mr. Asquith, I agree with what Sir Joseph Ward has said. I have sympathy with the first proposition, but, as to the second one, I doubt whether it is practicable. We come here to England, and we have the opportunity of meeting all the Ministers and discussing with them, and we have to discuss with the Minister of Defence, the Naval Minister at the Admiralty, and with the various other Ministers. If you have the next Conference in one of the Dominions, I doubt if we could have all the British Ministers there, and therefore I think it would be awkward. I doubt whether it is practicable, although we would be very glad if it could be done.

Sir EDWARD MORRIS: I rather agree with this proposal of Mr. Fisher. I am altogether in sympathy with it as regards the desirability of the public men of

England from time to time coming to the Colonies, especially those who look forward some day to being Ministers, but as regards the holding of the Imperial Conference in the various Dominions, I think with the others that that would be almost impossible; for instance, we could not have held this Conference without having Parliament here prorogued, because it would be necessary to have the Prime Minister and the various chiefs of departments and all the machinery and all the material, and all the books and documents transferred. I think besides that, holding it here in the centre of the Empire adds greatly to its strength and really makes it an Imperial Conference. But if it could be held with advantage in the Dominions, then, of course, there could be no possible objection to it.

The PRESIDENT: Gentlemen, on behalf of the Government of the United Kingdom I have to thank Mr. Fisher for the very kind and considerate terms in which he proposed the resolution, and to assure him that we heartily reciprocate the sentiments which he expressed. I think this Conference has admirably illustrated the advantages of personal intercourse between the responsible statesmen who are carrying on in different parts of the Empire what is, after all, the same Government, His Majesty's Government. We get to know one another, which is a very great pleasure and advantage in itself. Persons who are represented merely by names become to us living personalities, and I think I may go so far as to say, become not only acquaintances, but friends, and we realise much more clearly than we possibly could by correspondence and by indirect means of intercourse what are the real problems and difficulties of government in different parts of the Empire. There can be no question that personal contact and intercourse for a few weeks like this is an enormous advantage to us all.

In regard to the actual proposals in the Resolution, the first branch of it which declares that "it is desirable that Ministers of the United Kingdom and the Dominions should, if possible, between Conferences exchange reciprocal visits" is one with which I altogether agree. I notice, from the type-written Resolution, that Mr. Fisher has not put in the words "if possible," which I have just incorporated.

Mr. FISHER: "Desirable."

The PRESIDENT: He says it is "desirable." He does not go so far as to say that it is necessary. That it is desirable there can be no shadow of a doubt, and I must say, so far as the United Kingdom is concerned, I shall certainly, if I continue to be responsible for the conduct of affairs here, make every effort I possibly can to ensure that one or more of my colleagues shall have the opportunity of carrying out your kind wish of visiting the Dominions. It is not, as you know, all of you who are Heads of Governments, easy to spare a hard-worked colleague presiding over a very complicated department for an indefinite length of time.

Mr. FISHER: It is a good rest.

The PRESIDENT: It would be very pleasant for him, but perhaps not quite so pleasant for those who are left behind. All the same, those are difficulties which ought to be overcome with a little adjustment, and I assure you that we shall do our best to give effect to that part of Mr. Fisher's resolution.

With regard to the second part of the resolution I confess that I share the doubts that have been expressed. There, again, if it were possible I think it would be a very desirable thing, but I share the doubts that have been expressed by more than one speaker as to the practicability of carrying it into effect, and yet preserving the full utility of this institution of the Conference. Here we are in the centre of the Empire. We have close at hand, within a stone's throw of the Foreign Office, the Admiralty, the War Office, the Post Office, the Board of Trade, all our trained staffs, all our accumulated records at our disposal at a moment's notice with regard to any question which arises. Now with the best will in the world you cannot have that,

you cannot transport the whole of that apparatus to a remote part of the Empire and without its presence, without your being able to rely upon its assistance and co-operation, I fear that the proceedings of a Conference might be, to some extent at any rate, crippled, if not mutilated. Therefore, while in spirit I entirely agree with Mr. Fisher, and should be very glad if it were practicable to give effect to his aspiration —he does not put it higher than that—I see in practice such enormous difficulties, in in view of the real utility of these Conferences, that perhaps he will be content with the first part of his resolution which I am sure will receive universal assent.

Mr. FISHER: Mr. Asquith, as members will see, the second proposition (B) has been drafted in such a way that it only contemplates consideration of the possibility of holding a Conference, it does not bind you in any way. I would prefer if you would let it go with the statement you have made. I do not wish to convey to anyone the idea that I think it is practicable at the present time, but I do think that the possibility is there. Many things have been proposed in connection with which there seemed to be insuperable difficulties and they have been given effect to, but at the same time this is a mere expression of opinion. If the Prime Minister holds strongly that he would rather not see it there, I do not mind.

The PRESIDENT: Perhaps if you put it in that way, and instead of saying "the next meeting of the Conference," you were to say "a meeting" in that form we could accept it.

Mr. FISHER: That was in my mind—"holding a meeting of the Conference." That would cover a subsidiary Conference.

The PRESIDENT: It is quite possible that you might have a subsidiary Conference on some specific point.

Mr. FISHER: The only other point which I would like to mention is the opinion I expressed earlier in this Conference, that I think these quadrennial Conferences will be too far apart for the future. I do not debate that. I believe you will have to have biennial Conferences sooner or later or something akin to them and I do express the view again, as my firm belief, that these Conferences do more to lead to progress and to reduce friction and to help to preserve the peace of the world than anything else that I know of. I am very glad, with that amendment, to have the pleasure of hearing the views of the Minister and yourself, and I wish to thank you for the way it has been received.

The PRESIDENT: As so amended it will be the resolution of the Conference.

Sir WILFRID LAURIER: Mr. Asquith, I think we have now reached the end of our labours, and, ere we separate, I would claim the privilege, being the oldest member of this Conference, to convey to yourself, Sir, and to Mr. Harcourt, the sense of our gratitude for the manner in which you and he have carried on the labours of the Conference. It was well known in advance that you, Sir, would preside over our deliberations with the dignity, with the fairness, and with the courtesy which has marked your chairmanship all through the proceedings, and which we are most happy to acknowledge, all and every one of us.

Mr. Harcourt, young in years, and young in experience, was, if I may say so, under trial. You, Sir, would be the first to admit that upon his shoulders fell the heaviest and the most difficult part of the work—the work of studying, of mastering, of classifying and preparing for discussion and assisting in the solution of the various questions which came up for consideration, a work which is unseen and unknown by the public and which is to be judged of only when it has fully matured. This work Mr. Harcourt has carried out to the absolute and most general satisfaction of all the

members of the Conference. He has carried it out in a manner worthy of the great office to which you have only recently appointed him and, I may add, in a manner quite worthy of the great name which he has the honour to bear, of the long line of ancestors which he now represents, who in their age and generation served the King in the councils of the nation, in the Church, and in the Army, and above all of them, the last of the race before him—his illustrious father, Sir William Vernon Harcourt—who, by the dignity of his character, by his great abilities, by his unfailing courage, and by his high sense of honour, has been in our own day the very embodiment of the best traditions of British Parliamentary life.

It would afford us, and it does afford us, the greatest possible pleasure to proclaim, as we feel it, the deep sense of our appreciation of the many kindnesses and courtesies which we have received from His Majesty the King, from His Majesty's Government, from His Majesty's Opposition, and from the whole of the British people. Therefore, I beg to move as the last act of this Conference this resolution, which I have asked my friend, Sir Joseph Ward, he being, next to me, the oldest of the members of the Conference, to second : "The members of the Conference, representing the overseas Dominions, desire, before they separate, to convey to the Prime Minister and to the Secretary of State for the Colonies, their warm and sincere appreciation of the manner in which they have prepared, assisted in, and presided over the labours of the Conference, as well as of the many courtesies which they have received from them; they desire also to put on record the deep sense of gratitude which they feel for the generous hospitality which has been extended to them by the Government and people of the United Kingdom."

Sir JOSEPH WARD: Mr. Asquith, I want to say with what pleasure I support the motion which my friend, Sir Wilfrid Laurier, has just moved. No one could express in more suitable language what was intended to be conveyed on behalf of the whole of us than Sir Wilfrid Laurier has done.

I would like to add that in my opinion the presidency of the Prime Minister, Mr. Asquith, at this Conference, devoting such an amount of time as he has to it, has added very greatly to the appreciation of the countries that we represent, in this recognition by the British Government that the first Minister of State should out of his very active and busy life devote such a large portion of his time in order to preside. I acknowledge, with Sir Wilfrid Laurier, how much we are indebted to the kindness, courtesy, and consideration of Mr. Asquith for the smooth running of the business of the Conference in the many aspects of the very important questions that have come before us. May I also be allowed to say how very highly we appreciate all that Mr. Harcourt has done for us, both officially and privately, and we will never forget how he has smoothed the way for us in the many important duties outside this Conference that have come our way, and which it would have been exceedingly difficult to fill had we not had the guiding hand and kindly advice and assistance of Mr. Harcourt, and, if I may be allowed to introduce it here, I do, with very great pleasure, say that his amiable wife, Mrs. Harcourt, has shared those responsibilities to an extent which we appreciate very greatly indeed. Mr. Harcourt has also from time to time in the absence of the President discharged the duties of Chairman in a most satisfactory manner.

May I also, as one who has attended ten important Conferences of various kinds in my time, pay a tribute to Mr. Harcourt and to his staff for the care with which the preliminary work, so multifarious in its details, was prepared for the information of the members of this Conference. Speaking with a long experience of Conferences, I can say that I have never known the work to be so well prepared, and so ready for the consideration of the members of the Conference, so that it has been of infinite use to us in discussing the various matters that have come before us. I would for myself,

and for the other members of the Conference, like to acknowledge how much we realise the great assistance which has been rendered to us in that respect, and Mr. Harcourt and his staff are to be highly complimented upon what they have done.

May I also say, in supporting this motion, that it is deserving of recognition what a vast amount of good this Conference has done. When one remembers the questions that we have dealt with, it will be seen how important the work has been, and how valuable it is and will be to all parts of the Empire.

I do not propose to go at length into the various matters we have dealt with; but it has just passed through my mind, whilst Sir Wilfrid Laurier was speaking, that on the all important question of defence the information which has been furnished to us all has probably never been of greater value to the oversea representatives than upon this occasion. It will be most valuable to our countries. To ourselves the difficulties of the Home Government in connection with Empire Defence are more clearly understood.

Then the discussion of the machinery of government on purely Imperial matters has been very interesting. The views of the members of the Conference on record here—differing as they do on many points—are to my mind very valuable in regard to the work we have done in reference to this important question, and even though it be of a negative character so far as a decision is concerned the discussion was a most valuable one.

The matter of consultation with the Dominions regarding Treaties is a very important one and marks a great step forward. The Declaration of London has been considered with the Home Government as affecting the oversea Dominions, very fully and very carefully by the representatives present, and the decision arrived at was come to without bias, as also without any pressure. The great work achieved in connection with the Imperial Court of Appeal is, I think, an important one, and I hail with supreme satisfaction the action of the British Government in relation to it.

Then we have had a discussion upon naturalisation, which, to my mind, is extremely valuable to all portions of the British Empire, and to many people who will be affected as to the outcome of the efforts to obtain uniformity in that respect. The Imperial operation of Judgments and Awards of our courts which has been decided upon by this Conference is also of very great value.

The matter of Shipping and Navigation laws, which we have also discussed, is of infinite importance to the respective countries who are so much concerned regarding it, and who require to see that the products of their countries are carried under proper conditions, and the valuable expressions of opinion coming from the members of the Conference on this point add, in my view, to the weight of the work which this Conference has done. The effort to have uniformity of laws is a wise one, even though it may not produce practical results for some time to come.

The important resolution which Sir Wilfrid Laurier moved for the setting up of a Royal Commission would, if nothing else had been done at this Conference, in my opinion show that the calling together of the representatives of the oversea Dominions in conference with His Majesty's Ministers here enables us to take a broad and a practical view of the need for investigating the difficult and complex questions affecting the trade of the different portions of the British Empire.

May I also acknowledge the useful work the respective other Ministers have done at this Conference. Sir Edward Grey, in the very important and lucid statement he made, has given us valuable information which we shall all remember with the greatest pleasure in our respective callings and the busy lives we lead in our own countries. It will be of infinite value to us. So also with regard to the statements made to us by Mr. Buxton, Lord Haldane, the Lord Chancellor, the Postmaster-General, Mr. Burns, and Mr. Lloyd George. The presence of these representatives of the Home Government at this table has given us from time to time an insight

into some of the difficulties which we cannot see so far away from the old country, and that insight into those matters will be of great use to us, and probably I am right in saying that our views, if not fully concurred in, will yet be of some use to the Ministers controlling the affairs of the old country.

Finally I want just to say that I endorse very humbly the expressions which fell from Sir Wilfrid Laurier regarding the great kindness that His Majesty the King has shown to us since we have been here. I desire to acknowledge the much appreciated consideration and kindness which the members of His Majesty's Government, from Mr. Asquith downwards, have extended to us. I also wish to acknowledge the courtesy shown to us by the gentlemen who represent His Majesty's Opposition here. This Conference will, I believe, be productive of great good, and speaking as one who has had the honour of being on former Conferences I do not know of one which has done more valuable work than the present Conference. I most heartily second the motion.

General BOTHA: Mr. Asquith, if I may say a few words upon this, I wish to associate myself with every word that has fallen from the lips of my two colleagues, and I can only add that this is the second Conference which I have attended, and this Conference has been a Conference of trust, a Conference of friends, which has brought our work on to practical lines. If we, Mr. Asquith, want to do good work for the British Empire, the only way that we can make the Empire greater is to do it through love and co-operation. This Conference, as far as I have seen, has called into life that friendship which must lead to co-operation, and better co-operation, in the future than we have ever had in the past. Therefore I can only say that my colleagues and myself from South Africa will leave this country quite satisfied with the work that has been done here, and I agree thoroughly with what has been said about it.

Mr. FISHER: Mr. Asquith and gentlemen, I have little to add to that which has been already said, and said so well, by Sir Wilfrid Laurier and by the other representatives in this Conference, beyond conveying to you and Mr. Harcourt, and the other Ministers who have been here, our feelings of gratitude for their courtesy and kindness on all occasions during our meetings, and in the carrying out of our work here. I should like also to say a word of commendation to the staff, if you will allow me, who have so ably seconded the efforts of the Prime Minister and his Ministers, and I add that I noticed with pleasure this morning that that is not without recognition.

This is my first Conference, unlike the other speakers. I am pleased to have had the opportunity with my colleagues of being here. It probably matters little who the representatives of the Dominions are who may assemble round this table, or where another Conference is held.

I believe what has been done at this Conference has laid a foundation broader and safer than has ever hitherto been the case. I believe that the people do not yet fully understand what has taken place at this Conference. Hitherto we have been negotiating with the Government of the United Kingdom at the portals of the household. You have thought it wise to take the representatives of the Dominions into the inner counsels of the nation and frankly discuss with them the affairs of the Empire as they affect each and all of us. Time alone will discover what that means. I am optimistic. I think no greater step has ever been taken, or can be taken, by any responsible Advisers of the King.

I hope, as I feel, that there will be no going back on that sound principle. I think it will be ever memorable in the history of the British nation that you have had the wisdom, courage, and foresight to do it. I hope, as I believe, that that confidence will not be misplaced. I feel sure it will not. I feel sure that the people

we have the honour to represent will welcome it. At the same time I would like to add these words, not as words of warning, but words, shall I say, of wise reserve, that they should not be too anxious to know all the things that have been said by those who are responsible here to those who are immediately responsible in other parts of the Dominions, but that they should rest content with the assurances that those who have the responsibility of advising His Majesty on questions of moment and of great interest are doing the best they can in the interest, not only of the King himself, but of every subject who has the privilege of being under his reign.

I thank you again, Mr. Asquith, for the kindness of your welcome to us here, and for the great courtesy extended to my colleagues and myself during our stay in the centre of the Empire.

Sir EDWARD MORRIS: Mr. Asquith, I desire to very heartily concur in the resolution so very ably proposed by Sir Wilfrid Laurier, and to endorse everything that has been said by the other speakers in support of that. I desire merely to add my own appreciation of the uniform courtesy and kindness extended to me by you, and by Mr. Harcourt, and the various departmental heads of the offices who have been here as well as members of the Staff. I would also like to endorse what has been said in relation to the staffs of the various departments, particularly the Colonial Secretary's Department, and the Secretary to the Conference, and the other secretaries that we have come in contact with, and to express the hope referred to by Mr. Fisher that their efforts will be suitably and properly recognized, as I have no doubt they will.

The PRESIDENT: Gentlemen, I thank you very heartily for the terms in which this resolution is couched, for the speeches with which it has been supported, and for the evidence which those speeches and your demeanour afford of the genuine sentiment which it conveys. So far as it refers to me personally I can assure you that I esteem it as great a privilege as has fallen to my lot since I have had the honour of being in this country the First Minister of the Crown, that I have been permitted to be the First Prime Minister of the United Kingdom who has occupied the post of President of an Imperial Conference. That will be a recollection which I shall always cherish with pride and satisfaction. I am confident that the example which it has been my honour to set will be followed by those who come after me, and that the presidency of these conferences will be regarded as one of the obvious and natural, as also one of the most important, duties of the Prime Minister of the United Kingdom.

Gentlemen, as your main obligations, so far as you are under obligation at all to persons in this matter, are due to my right honourable friend and colleague, Mr. Harcourt, I associate myself entirely, if I may do so, with every word of Sir Wilfrid's eloquent tribute. Mr. Harcourt has not been long at the Colonial Office, but I think I may venture to appeal to the verdict of you who know better than anyone else and with more intimacy and more responsibility what the affairs of the Empire are, that he has already more than justified his selection for that responsible post. And that the work, as Sir Wilfrid Laurier says, not perceived, work carried on behind the scenes, but none the less arduous and responsible, preparing the ground for a meeting of this kind, has never been more efficiently performed. We both thank you very heartily for your kind recognition for any services we have been able to render.

I would, if you will allow me, just say two or three words more by way of survey in regard to the work achieved by the Conference itself. If I were asked to define what has been its dominant and governing feature, I should say it has been the attempt to promote and develop closer co-operation through the old British institution of free and frank discussion.

Gentlemen, I think you will agree with me that the value of the Conference and its permanent results are not to be judged entirely—although in that respect it need not be afraid of comparison with any preceding body of the kind—by the actual resolutions which it has affirmed and the proposals which it has adopted. I agree with Sir Joseph Ward that some of the most valuable, perhaps the most valuable, use to which we have been able to put our time has been in the consideration of matters which we have deliberately abstained from coming to any, for the moment, definite conclusion upon. We have cleared the air, we have cleared the ground, we have got to a better mutual understanding of our relative and reciprocal requirements. We see, if I may venture to say so, in truer perspective and proportion, the bulk and dominance of not a few of our Imperial problems, and that is a result which could never have been attained in any other way than by the assembling together of the responsible statesmen of the different parts of the Empire to hold a perfectly free interchange of opinion, each presenting those aspects of the case with which he himself, from his own local experience, was exceptionally familiar. It is the bringing together into the common stock, if I may say so, of all these various contributory elements of experience and knowledge which, I think, will make us all go back to our various tasks better equipped for their performance than we could possibly have been if we had not met here.

Gentlemen, I again advert to a matter which has been referred to by Mr. Fisher and Sir Joseph Ward, that this is the first time—and this Conference will be significant in memory in that respect—when, in Mr. Fisher's happy phrase, the representatives of the Dominions have been admitted, as it were, into the interior, into the innermost parts of the Imperial household: what in the old classical phrase were called the *arcana Imperii* have been laid bare to you without any kind of reservation or qualification.

You will all, I am sure, remember our meeting in the Committee of Defence, when Sir Edward Grey presented his survey of the foreign policy of the Empire. That is a thing which will be stamped upon all our recollections, and I do not suppose there is one of us—I speak for myself, as I am sure you will speak for yourselves—who did not feel when that exposition of our foreign relations had been concluded that we realised in a much more intimate and comprehensive sense than we had ever done before the international position and its bearings upon the problems of Government in the different parts of the Empire itself. So, again, our discussions conducted also and necessarily under the same veil of confidence in regard to co-operation for naval and military purposes have resulted, I think, in a most satisfactory agreement which, while it recognises our common obligations, at the same time acknowledges with equal clearness that those obligations must be performed in the different parts of the Empire in accordance with the requirements of local opinion and local need and local circumstances. Those, gentlemen, are matters as to which we cannot take the world into our confidence; we cannot even take our own fellow subjects and our own fellow citizens into our confidence in the full sense of the term, but we, who have gone into it with the frankness which such confidential discussions admit of, will agree that, even if the Conference had done no more than that, it would have been a landmark in the development of what I may call our Imperial constitutional history.

With regard to actual and positive results that are capable of being published in their fulness to the world, Sir Joseph Ward in the speech he made a few moments ago has given, I think, an almost exhaustive summary.

I may just, perhaps, recapitulate very briefly what they cover. First of all, as regards what I may call the relations of the Empire, not to its own members, but to foreign countries, we have had the important resolution unanimously affirmed that the Dominions should be afforded an opportunity of consultation, so far as possible,

when instructions are being prepared for the negotiation of International agreements which affect them. We have had the affirmation of the Declaration of London, and we had the important resolution passed only the other day on the motion of Sir Wilfrid Laurier that in regard to existing commercial treaties which apply to the oversea Dominions efforts should be made, as they are being made, to secure liberty of withdrawal if and when any particular Dominion so desires. Those are all very important matters in what I may call the international sphere.

Then, when you come to the internal relations of the Empire itself, without attempting to give an exact order of precedence to particular resolutions as compared one with another, I confess that, speaking for myself, I attach as much importance to that which was said and which is now agreed to with regard to the Court of Appeal as, perhaps, to any other. I think in regard to the constitution and practice of our Imperial Court of Appeal the Dominions had well-founded criticisms to make, which were put forward here with moderation but with great point and force, and I believe that the suggestions which His Majesty's Government were able to indicate, and which have now received your approval, will, when they are carried into effect, displace those criticisms for the future and provide the Empire as a whole with a tribunal which, both by its composition, by the numbers in which it sits, and the procedure which it adopts, will secure unanimous confidence.

Then, again, gentlemen, still keeping within the sphere of Imperial law, I think your assent to the important propositions which were laid before you with regard to Naturalisation is a very great step in advance. I will not speak of minor points, but there has been a general disposition, which I think is very characteristic of the whole spirit of the Conference, that while we must each of us preserve absolutely unfettered and unimpaired our local autonomy, yet where uniformity is possible in regard particularly to matters where the action of one part of the Empire by itself may affect injuriously another, where uniformity, or, if not uniformity, at any rate similarity, of co-operation is possible with regard to legislation as with regard to administration, that should be the keynote of our policy.

Then, finally, you have had a number of very important resolutions, which I am glad to say we have assented to with practical unanimity with regard to the improvement of means of communication within the Empire, postal, telegraphic, and so forth.

Gentlemen, those are all very solid, practical results. They are results none of which I believe could have been attained, or at any rate none of which could have been attained so rapidly or so effectively, except by the procedure of the Conference, and when we survey the situation as it is to-day after the experience that we have had during these few weeks with the situation as it stood when we first assembled round this table, I am perfectly certain, although many of you have come here at very great sacrifice of personal convenience and, possibly, some detriment to the time being of the carrying on of public affairs in your own Dominions—I am satisfied there is not a man seated at this table who does not feel that those sacrifices were well worth while, and, as I said before, we shall all return to our respective spheres of duty with a stronger sense of our common obligations to the Empire, with a more complete confidence in one another, and with a more earnest determination to work together for the good of the whole.

Mr. HARCOURT: Gentlemen, I only ask to be allowed to say one word of deep and heartfelt gratitude for the greatly over-generous references which have been made to myself in relation to the Conference, and also to say how deeply touched I am by, and how much I appreciate, the references which have been made to my father and to my wife. It has, I admit, been a matter of pride to me that the preparations for, and the daily conduct of, the Conference should be as complete as I am happy to

find they are satisfactory to the members, but I should like to be allowed to add that the satisfaction in this direction is entirely due to the untiring efforts that have been made by the Staff of the Colonial Office, and especially by Sir Hartmann Just and the Secretariat of the Conference. It will always be a pride to me to have been allowed to take part in a Conference which has made so notable an advance in the policy of Imperial co-operation, and in conclusion I hope I may be allowed to thank every member of the Conference sitting round this table for the invariable kindness and courtesy which I have received from them, which alone has rendered possible the success of our meetings in this room.

RETURN

[208a]
Copy.
Telegram.
Code.

From Mr. Harcourt to Lord Grey.

London, 11th July, 1911.

Immediate.—Please inform Brodeur that it is understood by the Admiralty that time of publication of arrangement with regard to Dominion Naval Force would be settled in concert as was done in 1909, and that in the meantime terms will not be made public. You will be informed later as to proposed time for publication. Copy goes to you by next mail.

HARCOURT.

Copy.
Translation.

Office of the Minister of Marine and Fisheries of Canada,,
Ottawa, 18th July, 1911.

Sir Wilfrid Laurier,
Prime Minister of Canada,
Ottawa.

Dear Sir Wilfrid,—I beg to send you herewith copy of the despatch of which I spoke to you to-day, on the subject of the publication of the memorandum on the agreement arrived at between representatives of Canada and Australia, on the one part, and the Admiralty, on the other.

I fail to see why this document should not be published at the same time as the proceedings of the Imperial Conference, though, indeed, such may be the intention. At all events, I send you the above despatch to keep you in touch with the matter in case it should come up in the House.

Would you be of opinion that it would be well to cable the Secretary of State asking him to hasten the publication of this document?

Yours very sincerely,

L. P. BRODEUR.

Copie.

Cabinet du ministre de la Marine et des Pêcheries du Canada,
Ottawa, 18 juillet 1911.

Sir Wilfrid Laurier,
Premier Ministre du Canada,
Ottawa.

Cher M. Laurier,—Je vous envoie sous pli copie de la dépêche dont je vous ai parlé aujourd'hui, au sujet de la publication du memo sur l'entente à laquelle en sont

arrivés les représentants du Canada et de l'Australie, d'une part, et l'Amirauté, de l'autre.

Je ne comprends pas pourquoi on ne publierait pas ce document en même temps que ceux de la Conférence Impériale proprement dite. Il se peut aussi qu'on ait l'intention de le faire. A tout évènement, je vous envoie la copie de cette dépêche afin de vous mettre au courant de la situation, au cas où il en serait question en Chambre.

Seriez-vous d'opinion qu'il serait opportun de câbler au Secrétaire d'Etat pour lui demander de hâter la publication de ce document?

Votre tout dévoué,

L. P. BRODEUR.

Canada.
No. 573.

DOWNING STREET, 14th July, 1911.

MY LORD,—

I have the honour to transmit to Your Excellency, to be laid before your Ministers, the accompanying copies of a memorandum of conferences between the British Admiralty and representatives of the Dominions of Canada and Australia, on the subject of the Status of Dominion Navies.

2. This matter was mentioned at the last meeting of the Imperial Conference on the 20th June, and it was agreed that it should be published simultaneously in this Country and in Canada and the Commonwealth.

3. I have asked the Governor General of the Commonwealth to inform me by telegraph when it is proposed to publish the memorandum there, and I shall at once telegraph to you so that arrangements may be made for a simultaneous issue of the report in Canada.

I have the honour to be, My Lord,
Your Lordship's most obedient, humble servant,

L HARCOURT.

Governor General,
His Excellency
The Right Honourable
EARL GREY, G.C.M.G., G.C.V.O.,
&c., &c., &c.

Copy.
Cable.

Lord Grey to Mr. Harcourt.

July 25th, 1911.

Your despatch of 14th July, No. 573. Prime Minister would be very grateful if permission could be given to lay enclosure before Parliament immediately. He wishes if possible to lay simultaneously with full report of proceedings of Imperial Conference just received and is anxious not to have to wait till memorandum of Conference on naval question is received in Australia.

Please telegraph reply as soon as possible.

GREY.

RETURN

[208b]

Copy.
Cable.

Mr. Harcourt to Lord Grey.

London, 27th July, 1911.

My telegram of to-day—on further consideration in view of your telegram of 26th July, confidential, and of 27th July, most urgent, I am prepared to acquiesce in immediate publication of both papers in Canada and I have informed Fisher that in deference to Sir Wilfrid Laurier's wishes I have felt it right to do so. Papers will be published here on Monday.

HARCOURT

MEMORANDUM

OF CONFERENCES BETWEEN THE BRITISH ADMIRALTY AND REPRESENTATIVES OF THE DOMINIONS OF CANADA AND AUSTRALIA.

[208c]

The naval services and forces of the Dominions of Canada and Australia will be exclusively under the control of their respective Governments.

2. The training and discipline of the naval forces of the Dominions will be generally uniform with the training and discipline of the fleet of the United Kingdom, and, by arrangement, officers and men of the said forces will be interchangeable with those under the control of the British Admiralty.

3. The ships of each Dominion naval force will hoist at the stern the white ensign as the symbol of the authority of the Crown, and at the jack-staff the distinctive flag of the Dominion.

4. The Canadian and Australian Governments will have their own naval stations as agreed upon and from time to time. The limits of the stations are described in Schedule (A), Canada, and Schedule (B), Australia.

5. In the event of the Canadian or Australian Government desiring to send ships to a part of the British Empire outside of their own respective stations, they will notify the British Admiralty.

6. In the event of the Canadian or Australian Government desiring to send ships to a foreign port, they will obtain the concurrence of the Imperial Government, in order that the necessary arrangements with the Foreign Office may be made, as in the case of ships of the British fleet, in such time and manner as is usual between the British Admiralty and the Foreign Office.

7. While the ships of the Dominions are at a foreign port a report of their proceedings will be forwarded by the officer in command to the Commander-in-Chief on the station or to the British Admiralty. The officer in command of a Dominion ship so long as he remains in the foreign port will obey any instructions he may receive from the Government of the United Kingdom as to the conduct of international matters that may arise, the Dominion Government being informed.

8. The Commanding Officer of a Dominion ship having put into a foreign port without previous arrangement on account of stress of weather, damage, or any unforeseen emergency will report his arrival and reason for calling to the Commander-in-Chief of the station or to the Admiralty, and will obey, so long as he remains in the foreign port, any instructions he may receive from the Government of the United Kingdom as to his relations with the authorities, the Dominion Government being informed.

9. When a ship of the British Admiralty meets a ship of the Dominions, the senior officer will have the right of command in matters of ceremony or international intercourse, or where united action is agreed upon, but will have no power to direct the movements of ships of the other service unless the ships are ordered to co-operate by mutual arrangement.

10. In foreign ports the senior officer will take command, but not so as to interfere with the orders that the junior may have received from his own Government.

11. When a court-martial has to be ordered by a Dominion and a sufficient number of officers are not available in the Dominion service at the time, the British Admiralty,

if requested, will make the necessary arrangements to enable a Court to be formed. Provision will be made by order of His Majesty in Council and by the Dominion Governments respectively to define the conditions under which officers of the different services are to sit on joint courts-martial.

12. The British Admiralty undertakes to lend to the Dominion during the period of development of their services, under conditions to be agreed upon, such flag officer and other officers and men as may be needed. In their selections preference will be given to officers and men coming from, or connected with, the Dominions, but they should all be volunteers for the service.

13. The service of officers of the British fleet in the Dominion naval forces, or of officers of these forces in the British fleet, will count in all respects for promotion, pay, retirement, &c., as service in their respective forces.

14. In order to determine all questions of seniority that may arise, the names of all officers will be shown in the Navy List and their seniority determined by the date of their commissions, whichever is the earlier, in the British, Canadian, or Australian services.

15. It is desirable, in the interests of efficiency and co-operation, that arrangements should be made from time to time between the British Admiralty and the Dominions for the ships of the Dominions to take part in fleet exercises or for any other joint training considered necessary under the Senior Naval Officer. While so employed, the ships will be under the command of that officer who would not, however, interfere in the internal economy of ships of another service further than absolutely necessary.

16. In time of war, when the naval service of a Dominion, or any part thereof, has been put at the disposal of the Imperial Government by the Dominion authorities, the ships will form an integral part of the British fleet, and will remain under the control of the British Admiralty during the continuance of the war.

17. The Dominions having applied to their naval forces the King's Regulations and Admiralty Instructions and the Naval Discipline Act, the British Admiralty and Dominion Governments will communicate to each other any changes which they propose to make in those Regulations or that Act.

June, 1911.

SCHEDULE (A).

CANADA.

The Canadian Atlantic Station will include the waters north of 30° north latitude and west of the meridian of 40° west longitude.

The Canadian Pacific Station will include the waters north of 30° north latitude and east of the meridian of 180° longitude.

SCHEDULE (B).

AUSTRALIA.

The Australian Naval Station will include—

On the north—from 95° east longitude by the parallel of 13° south latitude to 120° east longitude, thence north to 11° south latitude, thence to the boundary with Dutch New Guinea on the south coast in about longitude 141° east, thence along the coast of British New Guinea to the boundary with German New Guinea in latitude 8° south, thence to 155° east longitude.

On the east—by the meridian of 155° east longitude to 15° south latitude, thence to 28° south latitude on the meridian of 170° east longitude, thence south to 32° south latitude, thence west to the meridian of 160° east longitude, thence south.

On the south—by the Antarctic Circle.

On the west—by the meridian of 95° east longitude.

REPORT

OF A COMMITTEE OF THE IMPERIAL CONFERENCE CONVENED TO DISCUSS DEFENCE (MILITARY) AT THE WAR OFFICE.

[208d]

JUNE 14 AND JUNE 17, 1911.

Chairman—

General Sir WILLIAM NICHOLSON, Chief of the Imperial General Staff.

Members—

Brigadier-General, H. H. WILSON, C.B., D.S.O., Director of Military Operations.

Brigadier-General L. E. KIGGELL, C.B., Director of Staff Duties.

Major-General A. J. MURRAY, C.B., C.V.O., D.S.O., Director of Military Training.

Colonel J. ADYE, C.B., General Staff.

Colonel W H. BOWES, General Staff.

Dominion of Canada—

The Honourable Sir F. W. BORDEN, K.C.M.G., Minister of Militia and Defence.

Major-General C. J. MACKENZIE, C.B., Chief of the General Staff, Dominion of Canada.

Colonel S. HUGHES, M.P., Railway Intelligence Officer.

Commonwealth of Australia—

The Honourable G. F. PEARCE, Minister of Defence.

Commander S. A. PETHBRIDGE, Secretary to the Department of Defence.

Dominion of New Zealand—

The Honourable J. G. FINDLAY, K.C., LL.D., Attorney-General and Minister of Justice.

Union of South Africa—

The Honourable F. S. MALAN, Minister of Education.

A Committee constituted as above appointed to consider various subjects in connection with the Military Defence of the Empire met at the War Office on Wednesday, 14th June, and Saturday, 17th June, when the following matters were considered and conclusions arrived at.

(A) The Co-operation of the Military Forces of the Empire.

The Committee agreed that, in view of the fact that the representatives of the self-governing Dominions at the Imperial Defence Conference of 1909 signified their general concurrence in the proposition "That each part of the Empire is willing to make its preparations on such lines as will enable it, should it so desire, to take its share in the general defence of the Empire," the arrangements required to facilitate the co-operation of the military forces of the Empire fall within the scope of the duties of the local sections of the Imperial General Staff working under the orders of their respective Governments and in communication with the central section at the War Office, on which the Dominions will be represented.

(B) The Progress of the Imperial General Staff and the Development of its Functions.

The following statement showing the progress that has been made was laid before the Committee by the Chief of the Imperial General Staff:—

The need for a General Staff "selected from the forces of the Empire as a whole" was affirmed by the Imperial Conference which met in London in 1907, and it was then decided that the Chief of the General Staff should put forward definite proposals to give effect to the resolutions of the Conference on this subject.

Accordingly, proposals were put forward through the Colonial Office to the Governments of the self-governing Dominions in December 1908.

These proposals were generally accepted by the Governments concerned early in the following year, and the actual formation of an Imperial General Staff was then taken in hand. The Imperial General Staff has therefore been scarcely two years in existence. In such a short period it would not be reasonable to look for very great progress. The General Staff of the German Army in its present form had been in existence for over half a century before its value was proved to the world in 1866 and 1870. The General Staff of the Japanese Army was over twenty-five years old before the recent campaign in Manchuria began.

Although the General Staff of the Regular Army had only been in existence, under that name, a little over three years when its development into an Imperial General Staff was decided on, a staff, which included in its duties a good deal of what is now known as General Staff work, had been in existence for centuries; the Staff College had been established for over half a century; and a large number of experienced Staff officers were available to take up the duties of the new formation.

Notwithstanding its extreme youth in its present form, it may fairly be claimed that considerable progress has been made by the Imperial General Staff in its two years of existence, as will be seen from the following short account of what has been done.

As soon as the formation of the Imperial General Staff was seriously taken in hand it was found that more definite agreement on various points was required, and accordingly a paper on the detailed arrangement of loans, attachments, and interchanges of and between officers of the Regular Army and officers of the forces of the oversea Dominions, was drawn up under the orders of the Chief of the Imperial General Staff in 1910, and was forwarded through the Colonial Office for the consideration of the various Governments concerned. The proposals contained in that paper have been accepted in principle by Canada and New Zealand. Australia has not yet replied, and the Government of the Union of South Africa have stated that they are not in a position to enter into any engagement at present.

FORMATION AND ORGANIZATION OF LOCAL SECTIONS OF THE IMPERIAL GENERAL STAFF IN EACH DOMINION.

CANADA.

A Canadian Section of the Imperial General Staff is in process of formation and is being evolved from the existing Canadian General Staff in accordance with a proposal put forward by the Department of Militia and Defence in 1909. The following officers may perhaps be regarded as constituting the Canadian Section of the Imperial General Staff, so far as its formation has gone:

Chief of the General Staff and 1st Military Member of the Militia Council—
(Major-General, General Staff)—Major-General C. J. Mackenzie, C.B.

Director of Operations and Staff Duties—
(General Staff Officer, 2nd Grade)—Major G. Paley.

Commandant Royal Military College, Kingston—
(General Staff Officer, 1st Grade)—Lieutenant-Colonel J. H. V. Crowe.

Professors, Royal Military College, Kingston—
(General Staff Officers, 2nd Grade)—Major T. B. Wood, Captain W. Robertson.

A request has lately been received for six more General Staff Officers to be sent to Canada to be employed as follows:—

1 General Staff Officer, 1st Grade, for Mobilisation duties at Militia Headquarters.
4 General Staff Officers, 2nd Grade, for duty with Divisions in Eastern Canada.
1 General Staff Officer, 2nd Grade, for duty in the Districts of Western Canada.

AUSTRALIA.

The Commonwealth Section of the Imperial General Staff was organised in August 1909, and is now constituted as follows:—

Headquarters.

Chief of the General Staff and Chief of the Commonwealth Section Imperial General Staff—
Major-General J. C. Hoad, C.M.G.

Director of Defence Organisation—
(This position has not yet been filled.)

Director of Military Training—
Major F. A. Wilson, D.S.O., (an Imperial Exchange Officer replacing Captain C. B. B. White, Commonwealth Forces, who is attached to the War Office as General Staff Officer, 3rd Grade).

Director of Intelligence—
Colonel the Hon. J. W. McCay, V.D.

The duties allotted to each branch are as follows:—

Commonwealth Section of the Imperial General Staff—
At Headquarters.

Chief of the Commonwealth Section, Imperial General Staff.

Organisation for war. Plans of concentration for war. Intelligence concerning the Commonwealth. Preparation and maintenance of Defence Scheme.

Training and instruction. Supervision and inspection of training at camps, manœuvres, &c. Education and examination for promotion of officers. Recommendation for appointment to and promotion of officers of Commonwealth Section of the Imperial General Staff.

Field operations and promulgation of operation orders. Schemes for manœuvres and Staff rides. Drill books and training manuals. General Staff libraries. Preparation of maps.

Advice upon raising and disbanding of units. Censorship in time of war.

Director of Defence Organisation.

Organisation and plans of concentration for war. Defence schemes for the Commonwealth. Strategical and tactical Reconnaissances.

Director of Military Training.

Training and instruction of all arms. Education and examination for promotion of officers. Arrangement of classes of instruction. Conduct of examination of officers

for Staff College and for appointment to permanent forces. Schemes for manœuvres and staff rides. Drill books and training manuals.

Advice upon the acquisition of training grounds and ranges.

Advice upon the allotment of funds for training and manœuvres.

Director of Intelligence.

Intelligence. Preparation and issue of maps. Headquarters library.

In Districts.

Officers of the Commonwealth Section of the Imperial General Staff will, under the respective Commandants, carry out the duties in districts corresponding to those laid down for the Commonwealth Section of the Imperial General Staff at headquarters.

NEW ZEALAND.

The Dominion Section of the Imperial General Staff was organised in December 1910 as follows:—

Dominion Section of the Imperial General Staff.

Director of Military Training and Staff Duties—
Lieutenant-Colonel E. S. HEARD, P.S.C., Imperial General Staff.

Attached to the General Staff—
Captain H. H. BROWNE (Mounted Services).
Captain C. S. RICHARDSON (Garrison and Field Artillery Services).
Captain J. E. DUIGAN (Engineer Services).
(An additional officer to be appointed).

Director of Military Operations and Intelligence—
Lieutenant-Colonel J. T. BURNETT-STUART, D.S.O., P.S.C., Imperial General Staff.

Attached to the General Staff—
(An officer to be appointed).

Major General A. J. Godley, C.B., combines the functions of Chief of the local section of the Imperial General Staff with his functions as Commandant of the Defence Forces.

The New Zealand Government have applied for the services of four more General Officers, who will shortly proceed to take up their appointments as 3rd Grade General Staff Officers in districts.

SOUTH AFRICA.

When the various self-governing South African Colonies received the Imperial General Staff Memorandum early in 1909 they were unable to enter into any engagement in view of the great impending political change.

The Governor General of South Africa has now transmitted a Minute from the Union Government of South Africa, acknowledging receipt of the Memorandum on Loans, Attachments, and Interchanges, and stating that they are not yet in a position to gauge what will be the actual requirements of the Union Defence Forces.

Necessity for having one Supreme Head to the Imperial General Staff.

This necessity was recognized and the Chief of the General Staff became the Chief of the Imperial General Staff. This change was of title effected in November, 1909.

Subjects with which Local Sections of the Imperial General Staff should deal.

It was recommended in the Imperial General Staff Memorandum, dated the 7th December, 1908, that these sections should deal with:—

1. Local defence.

2. The training of troops on lines similar to those now followed for the United Kingdom by the Training Directorate at the War Office.

These subjects are now being dealt with by the Commonwealth section of the Imperial General Staff in Australia, and by the Canadian General Staff, Canada. The New Zealand section of the Imperial General Staff has had little time to do more than organise the new formation and arrange the allotment of duties; but these are already well in hand, and some progress has been made in the direction of training officers and non-commissioned officers.

RELATIONSHIP BETWEEN THE CHIEF OF THE IMPERIAL GENERAL STAFF AND THE CHIEFS OF LOCAL SECTIONS, AND THE BEST METHOD OF KEEPING TOUCH BETWEEN THEM.

So far as is practicable at this stage of the development of the Imperial General Staff, efforts have been made to apply the principles recommended in the Memorandum of the 7th December, 1908. There are difficulties, however, in establishing that close connection which, without interfering with complete local control, will still enable the central section to indicate what are the correct general principles in purely military matters and assist local sections in obtaining such advice as they may need. In fact, the necessity for some personal intercourse between central and local sections has been felt.

With a view to meeting this requirement the Chief of the Imperial General Staff is now in touch with the Chiefs of local sections by means of a direct system of semi-official correspondence on subjects, such as routine and training, on which direct correspondence has been approved by the Governments concerned. But it would appear that the further development which is so essential must be largely dependent upon the formation at headquarters of a Dominion section on the lines suggested in the Memorandum of the 31st August, 1910, on the subject of Loans, Attachments, and Interchanges.

Appendix (A)* shows the extent to which the principle of loans, attachments and interchanges of officers has been carried out in recent years.

Appendix (B) shows the officers belonging to the self-governing Dominions who have undergone a course at the Staff College.

From these Appendices it will be seen that progress is being made towards providing for future requirements of the central and local sections of the Imperial General Staff.

Conclusion.

The Committee accept this statement, and desire to express their satisfaction at the progress that has been made.

(C) Examination for the Promotion of Officers of the Permanent Forces of the Dominions.

The following Memorandum by the General Staff was laid before the Committee:—

A short history of how the Overseas Dominions have gradually adopted, for officers of their permanent military forces, the same examinations for promotion as those laid down for officers of the British Regular Army, is set forth hereunder.

* Interchanges between the forces of the self-governing Dominions, of which the War Office has no cognizance, are not included in this Appendix.

In order to show the progress that has been made in those examinations since their adoption, a table of results is attached, Appendix (C). For the purposes of comparison, this table also includes the results of the examination of officers of the British Regular Army.

CANADA.

2. On the 10th September, 1903, a Despatch was received from the Governor-General of the Dominion of Canada on the subject of the examination of officers of the Permanent Forces for promotion. In it Lord Dundonald expressed a desire that Officers of the Permanent Forces of Canada should undergo the same examinations for promotion, and at the same time, as those laid down for Officers of the British Regular Army.

This request was agreed to, and papers were forwarded on the 14th October, 1903.

At this time the examinations of lieutenants and captains were almost entirely theoretical.

1904. The syllabuses for the examination of officers of the British Regular Army, which had undergone revision and assumed their present lines, came into operation.

Canada adopted this revise.

1905. At the request of the Government of the Dominion of Canada, arrangements were made for the candidates' answers to the papers of questions sent out for use at the May examination, to be sent home for correction by examiners employed by the War Office, Canada bearing the extra expense involved thereby.

On the 8th May, 1905, Canada informed the War Office that the Board of Examiners (Canada) had been authorised to substitute for any question in the examination papers that did not come within the scope of the knowledge of an officer of the Canadian Permanent Force a question similar in meaning and extent, but which might fairly be said to come within that scope. A copy of substituted questions, together with the necessary books and a reference to where the correct answers were to be found, to be forwarded to the War Office with the candidates' work.

1907. At the request of the Chief of the General Staff, Canadian Militia, alternative questions were set by War Office Examiners in the paper on Military Law (d) (ii). Substituted questions on papers dealing with Organisation, Administration, &c., were still being set by the Board of Examiners, Canada.

This latter arrangement did not work very well.

1909. This was pointed out in a letter to Canada, forwarded through the Colonial Office, dated 12th August, 1909. It was suggested that any substituted questions in a paper (other than Organisation and Administration) set by the Board of Examiners in Canada should be marked by them and the results forwarded to the War Office for compilation with the results in other subjects. It was also suggested that the paper on Organisation and Administration (d) (iii) and Army Medical Organisation in Peace and War should be set entirely by the Canadian military authorities, in which case those two papers would no longer be sent out from War Office for the use of officers of the Canadian permanent forces.

In the reply, Canada requested that the system of setting and marking examination papers should be given a further trial in December, 1909.

On the 14th October, 1909, the Canadian authorities were informed through the Colonial Office that the Army Council were willing to give the system a further trial.

It was pointed out, however, that—

(1) It was impossible to conduct satisfactorily the examination in Organisation and Interior Economy laid down for officers of the (British) regular army when applied to officers of the Canadian Permanent Forces.

The subjects and subheads referred to were subhead (iii) of subhead (d).

Organisation and Administration, subject (h), lieutenants, R.A.M.C., Organisation, Administration, and Interior Economy of the Royal Army Medical Corps, subject (i), lieutenants A.V.C., Organisation, Administration, and Interior Economy of the Army Veterinary Corps.

Army Medical Organisation in Peace and War—Majors of the Royal Army Medical Corps.

(2) The War Office Examiners had repeatedly represented their inability to deal satisfactorily with answers to such questions written by Canadian officers.

It was suggested that the Army Council would undertake the examination of officers of the Canadian Permanent Forces in all written subjects and subheads, except those mentioned above. The papers were to be identically the same as used for officers of the British Regular Army, with alternative questions in Military Law (d) (ii).

The papers enumerated above to be set entirely by the Canadian Militia Council. Specimen papers in these subjects set by the War Office were to be sent out to Canada (as soon as printed) *for the purpose only* of indicating the standard which it is considered desirable to maintain.

The result of the examination in those subjects, with the remarks of the Examiners, to be sent home for compilation in the report on the examination published by the War Office.

It was considered that, if the above method was adopted, the necessity of Canadian military authorities setting alternative questions would be avoided.

Canada agreed to those proposals coming into operation after the December, 1909, examination.

Another point arose in December, 1909, with reference to the Army Service Corps papers in subject (g), owing to the War Office examiner not being familiar with local conditions in Canada; but this was subsequently arranged by sending out the papers confidentially some time beforehand, and allowing the military authorities of Canada to substitute questions for any not considered suitable for officers of the permanent force, employing their own examiner to set and correct the questions so substituted, and forwarding the marks allotted to the War Office.

This arrangement is working satisfactorily.

1910. For the December 1910 examination the Canadian military authorities adopted the examination paper in subject (d) (iii) and subjects (h) and (i). No candidates took up the two latter papers.

AUSTRALIA.

3. On the 8th July, 1909, a despatch was received from the Governor-General of the Commonwealth of Australia, asking if the Army Council would be prepared to make the same arrangements for examining the officers of the permanent forces of the Commonwealth as were made in the case of the Canadian permanent forces. The Army Council replied, on the 26th July, 1909, that they would be very pleased to make similar arrangements, but stated that the then existing arrangement by which the President of the Canadian Examining Board was empowered to substitute questions for any not considered suitable in the papers of questions sent out from the War Office was not altogether satisfactory, and a new arrangement was under consideration.

On the 6th October, 1909, a letter was forwarded through the Colonial Office, stating that the Army Council fully recognized the principles underlying the proposals of the Governor-General of the Commonwealth of Australia, that the military education of officers of the permanent military forces throughout the Empire should be as far as possible assimilated. They were prepared to examine officers of the permanent forces of Australia in all the written examinations with certain exceptions—(the conditions mentioned in letter *re* Canada, dated the 14th October, 1909, were set forth).

These conditions were accepted, and the system is working satisfactorily.

NEW ZEALAND.

4. On the 20th October, 1910, a despatch was received from the High Commissioner for New Zealand asking the Army Council to forward papers for the examination of officers of the permanent forces of New Zealand.

The Army Council replied on the 28th October, 1910, that they would be pleased to forward papers under the same conditions as appertained to Australia.

No officers have yet been examined, but it is anticipated that some will attend the examination in May 1911.

On the 14th December, 1910, Colonel Heard, who had taken up his appointment as D.M.T. in New Zealand, wrote that, as the Organisation of the military forces of that Dominion will be modelled on that in England, there was no reason why the officers of the New Zealand permanent Forces should not take the same paper in (d) (iii) as officers at Home, and asked for reconsideration of decision of the Army Council not to set the paper in (d) (iii). As regards (h) and (i), there were no officers of the R.A.M.C. or A.V.C.

The Army Council replied that they would be pleased to reconsider their decision.

EXAMINATION FOR TACTICAL FITNESS FOR COMMAND IN CANADA, AUSTRALIA, AND NEW ZEALAND.

5. In 1910 the examination for Tactical Fitness for Command were revised, for officers serving in the United Kingdom, whereby the paper for Examination in Part I, Appendix XII King's Regulations is now set under arrangements made by the War Office. The offer to extend this system to officers serving abroad and to officers of the permanent forces of the Oversea Dominions was made, and was well responded to in the first examination held in December 1910.

It may be added here that the Government of India have also quite recently decided to adopt our examinations entirely.

6. The Remarks of the Director of Military Training in the "Report on Examinations" have of late been considerably amplified. A supply of those Reports is made to the Oversea Dominions with a view to assisting instructions.

LOCAL SECTIONS, GENERAL STAFF.

7. Frequent correspondence with a view to attaining uniformity of standard takes place between the General Staff at the War Office and the local sections of the Imperial General Staff, and the greatest harmony prevails.

The papers themselves are now forwarded direct to the local sections of the General Staff in the Oversea Dominions, thereby saving time. During the past year officers of the Australian, Canadian, and New Zealand forces have been attached to the branch of the General Staff under the D.M.T. at the War Office, in order to make themselves familiar with the working of the machinery of that Department. Colonel Heard, before taking up his appointment as D.M.T. in New Zealand, also attended for this purpose.

Certain changes have been made in the regulations relating to the examination of officers for promotion. Those changes have been explained to each of the Oversea Dominions by circular letter.

SUMMARY.

8. From the above, it will be seen that very real effect has been given already to the proposals made at the Colonial Conferences of 1907 and 1909, in which it was agreed that the education of officers was the bedrock of the formation of the Imperial Organisation. It is hoped that the officers of the permanent forces of the Commonwealth of Australia will shortly take the paper set in (d) (iii) (Organisation, &c.) for officers of the British Regular Army, as has already been done in the case of officers of the permanent forces of Canada and New Zealand. It may then be said that all the Oversea Dominions will have adopted our examinations almost in every detail.

Considering the short time in which this has been brought about, it may be considered that very satisfactory progress has been made towards uniformity of education of officers throughout the Empire.

Conclusion.

The Committee consider that satisfactory progress has been and is being made to give effect to the proposals regarding the education of officers throughout the Empire which were agreed to at the Conferences of 1907 and 1909; and they desire to record their opinion that the action taken on these proposals has already resulted in a marked improvement in military education.

(D) Courses of Instruction in the United Kingdom and India of Officers of the Oversea Dominions.

The following Memorandum by the General Staff was laid before the Committee:—

As regards the attendance of officers of the Forces of the self-governing Dominions at schools of instruction in the United Kingdom, much consideration has been given to the question by the War Office. Heretofore the majority of such attachments have been arranged by High Commissioners direct with the Commandants of the schools of instruction and General Officers Commanding concerned. This method was found to be unsatisfactory. A Committee has recently considered the whole question of the attachment of officers of the self-governing Dominions and Colonies to schools and units of the Regular Army.

As a result of this Committee's recommendations, it is proposed that all applications for the attachment of officers for instruction, &c., should be addressed by High Commissioners to the Secretary, War Office, in the first instance. The Branch of the War Office concerned will then advise upon such attachments and draw up the necessary programme. Arrangements with schools of instruction and commands will be made by the War Office, and High Commissioners will be notified accordingly.

On the completion of a course of instruction a report on each officer will be rendered by the War Office to the Government concerned through the prescribed channel of correspondence.

2. As the Government of India have concurred generally in the proposals made in the Memorandum on loans, attachments, interchanges, &c., it is presumed that similar arrangements will be made in the case of officers of the Dominion Forces sent to India to undergo courses of instruction in that country.

3. With reference to paragraph 9 of the Memorandum on the subject of loans, attachments, and interchanges, in order that a suitable programme of work may be drawn up for the instruction of attached or interchanged officers of the self-governing Dominions it is desirable that the War Office should be informed as to what duties such officers will be required to perform on return to their own countries. To enable suitable programmes to be drawn up for each individual, such information should be furnished when the application is submitted for the attachment or interchange in addition to the information specified in the above-mentioned paragraph.

4. It should be borne in mind that in the United Kingdom the year is divided into two periods for training purposes. The first period, "individual training" consists of the four winter months, November, December, January, and February, and is primarily employed in the individual training of all ranks to enable them to take their places in their units. The second period, "collective training", lasts from the 1st March to the 31st October. The latter period is devoted to perfecting the training of units to enable them to take their places in the higher formations of the Army, and to training these formations themselves. It commences with squadron, battery, or company training which is followed by training in the next highest formation, and so on until it culminates in combined training of all arms in manœuvres or tactical exercises.

It is therefore recommended that all attachments and interchanges should be so arranged as to enable officers to obtain the advantages to be derived from a progressive course of training.

5. In the case of officers of the self-governing Dominions sent home on the interchange system, it should be observed that these officers temporarily fill definite positions in the Home Army for which they receive certain rates of pay. The duties and responsibilities appertaining to these positions, whatever they may be, are definitely fixed. It is therefore difficult to arrange a suitable programme of instruction for them without disorganising to some extent the training of the unit to which they are posted on interchange. In the case of attached officers this is not the case, as they are supernumerary to the establishment, and they can therefore be spared to attend such courses, &c., as may be deemed fit, without interfering with the unit to which they may be attached.

Conclusion.

The Committee consider that the arrangements made are satisfactory.

(E) The Terms upon which the Services of the Inspector-General of the Oversea Forces could be Invited if the Dominion Governments so desire.

The following Memorandum by the General Staff was laid before the Committee:—

In considering arrangements for the inspection of the forces of the self-governing Dominions it is understood that such inspections can only take place on the invitation of the Governments concerned.

In the event of the Government of a self-governing Dominion desiring that its forces should be inspected, the Army Council will be prepared to make the necessary arrangements for the inspection to be carried out by the Inspector-General of the Oversea Forces.

In such cases the duties of the Inspector-General of the Oversea Forces will be similar, *mutatis mutandis*, to those defined in paragraphs 7 to 10 and 13 of War Office Memorandum, dated 20th June, 1910, for the inspection of those portions of the Empire outside the United Kingdom and the limits of the Mediterranean Command, where troops under the control of the Home Government are stationed.

These duties would be as follows:—

He must form a judgment on the efficiency of officers and men, on the handling of troops, on the standard and system of training, on the suitability of equipment, and generally on all that affects the readiness of the forces for war.

For the proper discharge of his functions it is necessary that he should—

(*a*) By means of inspection ascertain whether the training instruction and preparation for war of the forces of the Dominion concerned, as laid down by Regulations, are fully carried out in the various commands, and whether a uniform standard of efficiency is attained.

(*b*) Advise as to changes of regulations bearing on (*a*).

(*c*) Acquaint the Minister of Defence with the state of the forces of the Dominion concerned as regards both personnel and equipment.

2. The functions of the Inspector-General of the Oversea Forces should be exercised with due regard to the general system of inspection applicable to an army, this system as carried out consecutively by Regimental Commanders, Commanders of Brigades, General Officers Commanding and local Inspector-General being of a progressive nature. In every case the object of an inspection is to ascertain the results achieved by the officer responsible for the efficiency of the unit or body of troops concerned.

It is the duty of an Inspecting Officer to bring omissions and defects to notice, but this should be done without fettering the initiative or trenching on the responsibility of the Commanding Officer in regard to the training of his men.

In addition to the duties enumerated above, the inspection of the coast defences of a Dominion will be included in the functions of the Inspector-General of the Oversea Forces.

The Inspector-General of the Oversea Forces would report to the Minister of Defence of the Dominion concerned, forwarding a copy of his report for the information of the Army Council.

Unless specially asked to do so by the Government of a Dominion, it would not be the duty of the Inspector-General to deal with questions of military policy, war, organisations, schemes of local defence, the system of education of officers or similar matters, on which the Local Headquarters Section of the Imperial General Staff are responsible for advising their respective governments. His opinion on these subjects would not, until confirmed by competent authority, commit the War Office or His Majesty's Government.

3. The Chief of the Imperial General Staff being charged by the Secretary of State for War with the military defence of the Empire, and with the system of military training and with war organisation, so far as the forces under the control of the Home Government are concerned, it would seem expedient, should the Government of the Dominions require advice on such matters other than that to be obtained from their local sections of the Imperial General Staff, that application for such advice should be made to the War Office through the approved channel. Otherwise divergent views may be expressed and confusion may result.

4. The question of sharing between the Home and Dominion Governments the expenses incurred in connection with visits of inspection of the Inspector-General of the Oversea Forces must be considered; and it is suggested that the following proposal would meet the case as regards inspections in Dominions in which no forces under the control of the Home Government are employed:—

The Home Government to be liable for—

Pay of the Inspector-General of the Oversea Forces and his Staff.

Passages one way.

Travelling expenses and allowances in the United Kingdom.

The Dominion to be liable for—

Passages one way.

Travelling expenses and allowances in the Dominion.

In the case of a Dominion such as South Africa, where troops under the control of the Home Government are stationed, it would save time and money if any desired inspection of the Dominion forces could be carried out when the Inspector-General was visiting the Dominion for the purpose of inspecting the regular troops; the liability of the Dominion Government being then limited to any extra expenses due to the inspection of their own forces.

5. By the 1st November in each year the Inspector-General of the Oversea Forces submits for the approval of the Army Council a programme of his inspections during the following year, beginning on the 1st April. In the event of the Government of a self-governing Dominion desiring its forces to be inspected, it will be convenient that application should be made to the Army Council not later than the 1st August in the year preceding that in which it is desired the inspection should take place.

Conclusion.

The Committee recommend the acceptance of the terms proposed.

(F) The Education of Officers at the Staff Colleges.

The following Memorandum by the General Staff was laid before the Committee:—

There is one important matter connected with the education of officers which in the opinion of the Army Council, should be discussed in detail with the representatives, and that is the question of the entrance of officers belonging to the forces of the oversea Dominions to the Staff Colleges at Camberley and Quetta.

In the first place it is essential that officers selected for a course at one of the Staff Colleges should possess sufficient military knowledge and general education to enable them to profit fully by the instruction given there. This is ensured, as regards officers of the Regular Army, by requiring them to prepare, by a course of previous study, for the work they would have to do at the Staff College, and to give proof that they have done so by qualifying at the entrance examination. Canada and Australia now require their officers to prepare themselves for and qualify at the entrance examination for admission, and it is desired to submit for the consideration of the representatives of the other oversea Dominions that, in their own interests, equal demands should be made on their officers.

In regard to this question it is necessary to remember that it is intended that the p.s.c. certificate shall be regarded as a qualification for employment on the Imperial General Staff, so far as professional requirements are concerned, and it is essential that no officer should be appointed to the Imperial General Staff whose attainments have not been proved to come up to the required standard. For this reason, if officers of the forces of the oversea Dominions are to be admitted to a Staff College without having proved their fitness to profit by the course of instruction there, it would be necessary to consider the introduction of an examination for them, before they left the college, upon the result of which their inclusion in the list of Staff College graduates would depend, provided that the report of the Military Board was satisfactory.

The full course at the Staff College is of 2 years' duration, and in the interests of the forces of the oversea Dominions and of the proper training of candidates for the Imperial General Staff, it is not advisable, as a general rule, that any period of instruction less than 2 years should be recognized as qualifying an officer for the p.s.c. certificate.

Although a very limited number of officers of the Regular Army below the rank of Lieutenant-Colonel, who are considered specially qualified by approved service on the staff in the field, are permitted to undergo a 1-year course at a Staff College, it must be remembered that such officers have had the advantage of at least from 15 to 20 years experience with troops, in addition to having given proof of having reached a high standard of military knowledge and aptitude. The officers of the forces of the various oversea Dominions, who have not had equal opportunities of gaining experience in the profession of arms, cannot be expected to have reached the same standard of military knowledge; and, in the interests of the Imperial General Staff and of the forces of Dominions themselves, it is not considered that any curtailment of the full course of instruction should be permitted in their case.

As accommodation at the college is limited, it is necessary that applications for admission should, in future, be dispatched in time to reach the War Office by the 31st May annually for admission in the following January. This would give time to consider the possibility of making the necessary arrangements.

Conclusion.

The Committee agree to the general conditions stated in this paper as to the qualifications necessary for admission of officers belonging to the Forces of the Oversea Dominions to the Staff Colleges at Camberley and Quetta, and as to the general rule

that no period of instruction less than two years should be recognized as qualifying an officer for the p.s.c. certificate.

The Committee recommend that the accommodation and staff at Camberley should be increased sufficiently to enable not less than 12 or 13 officers of the Forces of the Dominion to be admitted annually; and that the Dominions should contribute towards the cost of this increased accommodation and any necessary increase in instructional and administrative staff; such contribution to take the form of an annual payment *per capita* for each student at a rate to be agreed on, which it is understood would be, approximately, 200*l*.

APPENDIX (A).

TABLE showing Officers of the Regular Force who were employed in the Oversea Dominions in January, 1909, or who have been employed there since that date; and Officers of the Forces of the Oversea Dominions employed with or attached to the Regular Forces during the same period.

Rank and Name.	Corps.	Appointment.	From	To	Remarks.
		CANADA.			
		Loans.			
Capt. E. N. Mozley	R.E.	Prof. R.M.C., Canada	25-8-'04	25-8-'09	
Maj.-Gen. Sir P. H. N. Lake, K.C.M.G., C.B *p.s.c.*		C.G.S. Canada, Insp.-Gen. and Ch. Military Adviser	1-11-'04	11-11-'10	Maj. Gen. Staff.
Capt. H. R. V. de Bury	R.A.	Prof. R.M.C., Canada	23-8-'05	22-8-'10	
Capt. C. Russell-Brown	R.E.	Prof. R.M.C., Canada	28-9-'05	31-7-'10	
Lt.-Col. W. G. Gwatkin, *p.s.c.*		Dir. Opr. and Staff Duties, Canada	15-10-'05	20-10-'09	Gen. Staff, 2nd Grade.
Lt. Col. E. T. Taylor, *p.s.c.*		Comdt. R.M.C., Canada	12-10-'05	11-10-'09	Gen. Staff, 2nd Grade.
Major J. B. Pym	R.M.	Insp. Small Arms, Canada	22-2-'06	22-5-'10	
Major G. R. Poole	R.M.A.	Employed with Forces, Canada	29-3-'06	Date.	
Lt.-Col. C. E. English	R.A.	Ditto and C.S., Quebec, Cmd	1-4-'06	Date.	
Capt. E. H. Robinson	A.O.D.	Inspr. Ord. Machinery	1-4-'06	(?) '09	
Lieut. E. F. S. Dawson	R.E.	Instr. R.M.C., Canada	12-4-'06	Date.	
Capt. M. St. L. Simon	R.E.	Instr. in Electric Lighting, Canada	17-5-'06	16-5-'10	
Lieut. W. K. P. Blair	R.A.	Instr. R.M.C., Canada	20-9-'06	Date.	
Capt. W. L. de M. Carey	R.E.	Employed with Forces, Canada	10-5-'07	10-11-'09	
Lieut. A. D. MacDonald	R.A.	Employed with Forces, Canada	20-2-'07	20-3-'11	
Lt.-Col. R. K. Scott	A.O.D.	Employed with Forces, Canada	20-5-'07	19-5-'10	
Lieut. L. G. Matterson	R.A.	Employed with Forces, Canada	27-9-'07	26-9-'09	
Capt. T. P. C. Smith	R.W.K. Regt.	Employed with Forces, Canada	18-10-'07	Date.	
Capt. H. B. H. Johnson	R.A.	Employed with Forces, Canada	8-4-'08	8-5-'09	
Lieut. G. L. Peterson	A.S.C.	Employed with Forces, Canada	18-7-'08	Date.	
Capt. A. B. Carey	R.E.	Employed with Forces, Canada	22-8-'08	Date.	
Capt. J. P. Shine	R.M.	Prof. R.M.C., Canada	17-9-'08	Date.	
Capt. H. A. Kaulbach	R. Lanc. Regt.	Staff Adj. R.M.C., Canada	17-9-'08	Date.	
Lieut. W. G. Tyrell	R.E.	Employed with Forces, Canada	17-9-'08	Date.	
Capt. H. L. Bingay	R.E.	Employed with Forces, Canada	9-10-'08	Date.	

SESSIONAL PAPER No. 208d

APPENDIX (A)—*Continued.*

TABLE showing Officers of the Regular Forces—*Continued.*

Rank and Name.	Corps.	Appointment.	From	To	Remarks.
		CANADA—*Con.*			
		Loans—Con.			
Capt. H. Kemmis-Betty	R.Canadian Regt.....	Gen. Staff, 3rd Grade, England.....	10-1-'09	30-11-'10	(War Office).
Major C. Phillips.....	R.A.....	Instr. R. School Arty., Canada.....	28-5-'09	Date.	
Capt. W. J. P. Rodd.....	A.O.D.....	Insp. Ord. Machinery....	20-8-'09	Date.	
Lt.-Col. J. H. V. Crowe, *p.s.c*.....	R.A.....	Comdt. R.M.C., Canada	23-9-'09	Date.....	General Staff, 1st Grade.
Capt. R. C. Hammond	R.E.....	Prof. R.M.C., Canada..	1-10-'09	Date.	General Staff, 2nd Grade.
Major G. Paley, *p.s.c*...	Rifle Brigade.....	Dir. Opns. and Staff Duties, Canada.....	21-10-'09	Date.....	General Staff, 2nd Grade.
Capt. W. Robertson, *p.s.c*.....	R.E.....	Prof. R.M.C., Canada...	1-4-'10	Date.....	General Staff, 2nd Grade.
Major T. W. Wood, *p.s.c.*	R.A.....	Prof. R.M.C., Canada...	2-4-'10	Date.....	General Staff, 2nd Grade.
Capt. W. E. Kemble.....	R.A.....	Employed with Forces, Canada.....	15-4-'10	Date.	
Capt. A. P. Birchall.....	R. Fus.....	Employed with Forces, Canada.....	15-4-'10	Date.	
Capt. F. S. Montague, Bates.....	E. S. Regt..	Employed with Forces, Canada.....	15-4-'10	Date.	
Capt. J. B. Walker.....	R.A.....	Employed with Forces, Canada.....	15-4-'10	Date.	
Capt. R. S. Bunbury....	R.A.....	Employed with Forces, Canada.....	15-4-'10	Date.	
Capt. A. J. Wolff.....	R.E.....	Prof. R.M.C., Canada	28-7-'10	Date.	
Capt. F. R. Sedgwick..	R.A.....	Prof. R.M.C., Canada..	11-8-'10	Date.	
Maj.-Gen. C. J. Mackenzie, C.B., *p.s.c*.....	.....	C.G.S. and 1st Military Member of Militia Council.....	20-10-'10	Date.....	Maj. Gen., Gen. Staff.
Maj. H. M. Elliot.....	R.A.....	Ch. Instr. R. School, Arty., Canada.....	17-3-'11	Date.	
		Interchanges.			
Lt.-Col. O.B.S.F. Shore D.S.O., *p.s.c*.....	Indian Army.....	To Canada.....	1-1-'08	3-3-'09	Replaced by Capt. Hay.
Lieut. W. H. P. Elkins..	R.Canadian Arty.....	To India.....	4-4-'08	1909.....	
Capt. C. J. B. Hay, *p.s.c*	Indian Arty.....	To Canada.....	4-3-'09	1911.	
Capt. A. F. C. Williams, D.S.O., *p.s.c*.....	Indian Army....	To Canada.....	6-8-'10	Date...	
Capt. E. K. Eaton.....	..R. Can. Regt.....	To India.....	1-9-'10	Date.	

APPENDIX (A)—*Continued.*

TABLE showing Officers of the Regular Forces—*Continued.*

Rank and Name.	Corps.	Appointment	From	To	Remarks.
		AUSTRALIA.			
		Loans.			
Major-General G. M. Kirkpatrick, *p.s.c.*	.....	Inspr.-Gen. Mil. Forces, Australia	8-5-'10	Date.	
Lt. Col. C. W. Gwynn, C.M.G., D.S.O., *p.s.c.*	R.E.	Dr. Mil. Art. (Mil. Coll). Australia	20-1-'11	Date	General Staff. 2nd Grade.
Lt.-Col. E. G. Sinclair-Maclagan	Yorks Regt	Dr. of Drills, Musk. &c., (Mil. Coll.), Australia.	20-1-'11	Date.	
Capt. R. L. Waller	R.E.	Instr. Mil. Coll., Australia	20-1-'11		
		Attachments.			
Major L. E. Tilney	Aus. Infy.	For instruction in India.	5-9-'08	1909	
Major M. T. Kirby	Aus. F. Art.	For instruction in India.	1-9-'08	1909	
Major F. H. Russel	Aus. F. Art.	For instruction in India.	5-9-'08	1909	
Capt. E. A. D. Brockman	Aus. Infy.	For instruction in India.	7-9-'08	1909	
Major W. A. Coxen	R. Aus. Art.	For instruction in England	1-1-'08	1910	
Capt. H. A. F. Wilkinson	Aus. Infy.	For instruction in India.	18-10-'09	1910	
Capt. M. H. Cruikshank	Aus. Infy.	For instruction in India.	12-10-'09	1910	
Capt. C. W. H. Coulter.	Aus. Infy.	For instruction in India.	27-9-'10		
Capt. J. H. Bisdee, V.C.	Aus. L. H.	For instruction in India.	27-9-'10		
Lieut. R. A. N. Plant	Aus. L. H.	For instruction in India.	27-9-'10		
Lieut. E. F. D. Fethers.	Vic. Sco. Regt.	For instruction in India.	27-9-'10	1910	
Major R. St. J. Pearce	Aus. F. Art.	For instruction in India.	9-10-'09	1910	
Col. J. F. Flewell-Smith V.D	Queensland In. Brigade	For instruction in India.	17-10-'09	1910	
Capt. E. C. Oldham	Aus. Infy.	For instruction in India.	14-10-'09	1910	
Col. W. T. Bridges, C.M.G	R. Aus. Art.	Commonwealth Rep. of Im. G. S. in England.	20-8-'09	25-5-'10	
		Interchanges.			
Capt. H. G. Reid	A.S.C.	Employed with Forces, Australia	22-6-'08	15-6-'09	
Lieut. H. D. K. Macartney	R. Aus. A.	Attached for instruction, England	21-7-'08	.....	To Staff College 22-1-'10.
Capt. F. A. Wilson, D.S.O	R.A.	Dr. Mil. Training, Australia	25-9-'08	Date.	
Capt. C. B. B. White, *p.s.c*	R. Aus. A.	G.S. 3rd. Grade, War Office	24-10-'08	Date.	
Capt. H. C. McWatters.	Indian Army.	To Australia	3-9-'09		
Capt. J. C. O'Brien	Aus. Forces.	To India	27-10-'08		
Major J. K. Forsyth	Aus. Forces.	To India	14-9-'09		
Major F. A. Maxwell, V.C., D.S.O., *p.s.c.*	Indian Army.	To Australia.	4-3-'10		
Major C. L. Gregory	Indian Army.	To Australia	12-10-'10	Date.	
Capt. C. H. Brand	Aus. Forces.	To India	7-9-'10	Date.	
Capt. W. E. Manser	R.E.	To Australia	17-1-'10	25-10-'10	
Major J. H. Bruche	Aus. Forces.	Attached for instruction in England	25-1-'10	15-3-'11	

SESSIONAL PAPER No. 208d

APPENDIX (A)—*Continued.*

TABLE showing Officers of the Regular Forces—*Continued.*

Rank and Name.	Corps.	Appointment.	From	To	Remarks.
		NEW ZEALAND.			
		Loans.			
Capt. Eff. W. Lascelles.	3rd. D.G...	Instrnl. Staff, New Zealand.....	30-5-'07	14-11-'10	Gen. Staff, 3rd Grade.
Lieut. C. Nelson.....	15th Hussars.....	Instrnl. Staff, N. Zealand.....	5-8-'07	31-1-'09	
Major H. D. Tuson, *p.s.c*.....	Manch. Regt....	Adj. & Q.M.G., New Zealand.....	27-7-'07	26-7-'10	
Major H. F. Head.....	R.A.....	Dir. Ord. and Commandt. Permanent Force.....	3-4-'08	— 4-'11	
Maj.-Gen. A. J. Godley, C.B., *p.s.c*.....	....	Commandt. Defence Forces, New Zealand.	7-10-'10	Date.	
Capt. D. C. Spencer-Smith.....	R.A.....	Staff Officer to Commandt. Forces, New Zealand.....	19-10-'10	Date.	
Major G. N. Johnston	R.A.....	Dir. Ord. and Commandt. of Permanent Artillery.....	4-5-'11	Date.	
Capt. H. O. Knox.....	A.S.C.....	To organise N.Z. A.S.C.	13-14-'11	Date.	
Capt. A. W. MacArthur-Onslow.....	16th Lancers.....	For employment with Forces, New Zealand.			
Capt. G. C. Hamilton..	Gren. Gds..	For employment with Forces, New Zealand.	.....	.....	Under Orders.
Capt. W. H. G. Burnett-Hitchcock.....	Roy. Fus...	For employment with Forces, New Zealand.	.....	.....	Under Orders.
Capt. A. Moore, D.S.C.	R. Dub.Fus	For employment with Forces, New Zealand.	.....	.....	Under Orders.
Capt. W. G. Braithwaite, D.S.O., *p.s.c*...	R. Welsh. "	For G. S. 3rd Grade in Districts, New Zealand	.....	.....	Under Orders.
Capt. W. R. Pinwill, *p.s.c*.....	Liverpool Regt.....	For G. S. 3rd Grade in Districts, New Zealand	.....	.....	Under Orders.
Capt. Cochran, J.K., *p.s.c.* (One officer to be nominated).....	Leinster Regt.....	For G. S. 3rd Grade in Districts, New Zealand	.....	.....	Under Orders.
		Attachments.			
Br.-Gen. R. H. Davies, C.B.....	N.Z. Forces	Commanding 6th Infantry Brigade, England.	16-10-'10	Date.....	
Lt. Col. F. W. Abbott, D.S.O.....	N.Z. Forces	For instruction in England.....	.....	.....	Under Orders.
Capt. J. S. Seddon.....	N.Z.Forces	For instruction in England.....	.....	.....	Under Orders.

APPENDIX (A)—*Continued.*

TABLE showing Officers of the Regular Forces—*Continued.*

Rank and Name.	Corps.	Appointment.	From.	To.	Remarks.
		NEW ZEALAND—*Con.*			
		Interchanges.			
Lt.-Col. E. S. Heard, *p.s.c.*	North Fus..	Dr. Mil. Trng. and Staff Duties, New Zealand.	14-10-'10	Date.....	
Lt.-Col. J. T. Burnett-Stuart, D.S.O., *p.s.c.*.	Rifle Brig..	Dr. Mil. Oper. and Intell., New Zealand....	14-10-'10	Date.....	
Lieut. S. A. Grant.....	N.Z. Forces	Attached for instruction in England.....	16-7-'09	19-1-'11	*
Lieut. J. H. Whyte.....	N.Z. Forces	Attached for instruction in England.....	16-7-0'9	19-1-'11	*
Lieut. J. E. Barton,	N.Z. Forces	Attached for instruction in England.....	16-7-'09	19-1-'11	*
Lieut. W. L. Robinson..	N.Z. Forces	Attached for instruction in England.....	16-7-'09	19-1-'11	*
Lieut. I. T. Standish....	R.N.Z.Arty	To be attached for instruction in England..	.....	.....	Under Orders.
Lieut. W. M. McG. Turnbull.....	N.Z. Forces	To be attached for instruction in England...	19-1-'11		
Lieut. Burn.....	N.Z.St.Cps	To be attached for instruction in England...	19-1-'11		
Lieut. Garland.....	N.Z.St. Cps	To be attached for instruction in England...	19-1-'11		
		SOUTH AFRICA.			
		Loans.			
Hon. Capt. M. C. Rowland.....	R. Dub.Fus	Staff Officer Trans. Vol.	15-2-'03	Date.	
Capt. J. C. Hanna.....	R.A.....	Adj. Cape Garr. Arty...	14-1-'05	Date.	
Capt. R. W. White.....	R.A.....	Adj. Trans. Horse Arty.	6-8-'06	Date.	
Capt. C. G. Wickham, D.S.O.....	Norfolk Rgt	Adj. Imp. Light Horse, Trans.....	27-7-'06	Date.	
Capt. F. S. Irvine.....	R.A.M.C...	Adj. M.S.C. Trans. Vol.	13-10-'06	12-10-'09	
Lt. Col. L. J. Shadwell, *p.s.c.*.....	.....	Staff Officer, Volunteers, Cape of Good Hope...	23-2-'07	Date.	

*Interchange specially arranged for, i.e., 4 officers of subaltern rank to be sent to England annually for an aggregate period of 4 years, vice 2 Staff Officers sent to New Zealand for the same period.

APPENDIX (B).

STATEMENT showing Officers belonging to the Forces of the Oversea Dominions who are or have been at the Staff Colleges.

Course 1903-1904. (Camberley)—
Major D. I. V. Eaton (Canada).

Course 1905-1906. (Camberley)—
Lieutenant-Colonel H. E. Burstall (Canada).
Major A. H. Macdonnell, D.S.O. (Canada).

Course 1906-1907. (Camberley)—
Captain C. B. B. White (Australia).

Course 1907-1908. (Camberley)—
Lieutenant-Colonel E. W. C. Chaytor (New Zealand).
Major P. E. Thacker (Canada).
Captain H. Kemmis-Betty (Canada).

Course 1909-1910. (Camberley)—
Major W. B. Anderson (Canada).
Major W. E. C. Tanner (Natal).
Captain G. R. Richards (Natal).

Course 1910-1911.
At Camberley—Lieutenant H. D. K. Macartney (Australia).
At Quetta—Lieutenant E. F. Harrison (Australia).

Course 1911-1912. (Camberley)—
Lieutenant-Colonel A. Bauchop, C.M.G. (New Zealand).
Major J. H. Elmsley (Canada).
Captain E. H. Reynolds (Australia).

For the next course (1912-1913), several applications for admission have already been received, and it is to be apprehended that the number of admissions may be limited by want of accommodation at the Colleges rather than by any dearth of qualified candidates.

APPENDIX (C).

STATISTICS OF OFFICERS EXAMINED, 1905-10, INCLUSIVE.

Subject.	Rank.	British Regular Army.		
		Number Examined.	Number Failed.	Percentage of Failures.
D (i)— Military Engineering, Tactics, Map reading, Field sketching and reconnaissance	Captains....	2,017	191	9·46
	Lieutenants.	3,470	310	8·93
D (ii)— Military Law	Captains....	2,072	35	1·20
	Lieutenants.	3,551	130	3·66
D (iii)— Organization, Administration and Equipment	Captains....	1,801	44	2·44
	Lieutenants.	3,150	198	6·28
D (iv)— Military History	Captains....	1,933	94	4·86
	Lieutenants.	3,525	426	12·08

STATISTICS OF OFFICERS EXAMINED, 1905-10, INCLUSIVE.

Subject.	Rank.	Canadian Permanent Forces.		
		Number Examined.	Number Failed.	Percentage of Failures.
D (i)— Military Engineering, Tactics, Map reading, Field sketching and reconnaissance	Captains....	64	21	32·81
	Lieutenants.	99	12	12·12
D (ii)— Military Law	Captains....	66	9	13·63
	Lieutenants.	98	7	7·14
D (iii)— Organization, Administration and Equipment	Captains....	47	5	10·63
	Lieutenants.	88	4	4·54
D (iv)— Military History	Captains....	52	5	9·61
	Lieutenants.	98	8	8·16

SESSIONAL PAPER No. 208d

APPENDIX (C).—*Continued.*

STATISTICS OF OFFICERS EXAMINED, 1905–10, INCLUSIVE.

Subject.	Rank.	Australian Permanent Forces.		
		Number Examined.	Number Failed.	Percentage of Failures.
D (i)— Military Engineering, Tactics, Map reading, Field sketching and reconnaissance	Captains....	*10	3	30·00
	Lieutenants.	†16	1	6·25
D (ii)— Military Law	Captains....	10	1	10·00
	Lieutenants.	14	..	
D (iii)— Organization, Administration and Equipment	Captains....	..	..	
	Lieutenants.	..	..	
D (iv)— Military History	Captains....	8	2	25·00
	Lieutenants.	11	..	

*December, 1909. †May to December, 1910.

TEXT

OF

PELAGIC SEALING TREATY

SIGNED AT WASHINGTON JULY 7, 1911

OTTAWA
PRINTED BY C. H. PARMELEE, PRINTER TO THE KING'S MOST EXCELLENT MAJESTY
1911

[No. 210—1911.]

CONVENTION

BETWEEN GREAT BRITAIN, THE UNITED STATES OF AMERICA, JAPAN AND RUSSIA, FOR THE ADOPTION OF MEANS LOOKING TO THE PRESERVATION AND PROTECTION OF THE FUR SEAL. SIGNED AT WASHINGTON, ON JULY 7, 1911.

The United States of America, His Majesty the King of the United Kingdom of Great Britain and Ireland, and of the British Dominions beyond the Seas, Emperor of India, His Majesty the Emperor of Japan, and His Majesty the Emperor of all the Russias, being desirous of adopting effective means for the preservation and protection of the fur seals which frequent the waters of the North Pacific Ocean, have resolved to conclude a Convention for the purpose, and to that end have named as their Plenipotentiaries:

The President of the United States of America, the Honourable Charles Nagel, Secretary of Commerce and Labour of the United States, and the Honourable Chandler P. Anderson, Counsellor of the Department of State of the United States;

His Britannic Majesty, the Right Honourable James Bryce, of the Order of Merit, his Ambassador Extraordinary and Plenipotentiary at Washington, and Joseph Pope, Esquire, Commander of the Royal Victorian Order and Companion of the Order of St. Michael and St. George, Under Secretary of State of Canada for External Affairs;

His Majesty the Emperor of Japan, Baron Yasuya Uchida, Jusammi, Grand Cordon of the Imperial Order of the Rising Sun, his Ambassador Extraordinary and Plenipotentiary at Washington; and the Honourable Hitoshi Dauké, Shoshii, Third Class of the Imperial Order of the Rising Sun, Director of the Bureau of Fisheries, Department of Agriculture and Commerce;

His Majesty the Emperor of all the Russias, the Honourable Pierre Botkine, Chamberlain of His Majesty's Court, Envoy Extraordinary and Minister Plenipotentiary to Morocco, and Baron Boris Nolde, of the Foreign Office;

Who, after having communicated to one another their respective full powers, which were found to be in due and proper form, have agreed upon the following articles:

Article I.

The High Contracting Parties mutually and reciprocally agree that their citizens and subjects respectively, and all persons subject to their laws and treaties, and their vessels, shall be prohibited, while this Convention remains in force, from engaging in pelagic sealing in the waters of the North Pacific Ocean, north of the thirtieth parallel of north latitude and including the Seas of Behring, Kamchatka, Okhotsk and Japan, and that every such person and vessel offending against such prohibition may be seized, except within the territorial jurisdiction of one of the other Powers, and detained by the naval or other duly commissioned officers of any of the Parties to this Convention, to be delivered as soon as practicable to an authorized official of their own nation at the nearest point to the place of seizure, or elsewhere as may be mutually agreed upon; and that the authorities of the nation to which such person or vessel belongs alone shall have jurisdiction to try the offence and impose the penalties for the same; and that the witnesses and proofs necessary to establish the offence, so far as they are under the control of any of the Parties to this Convention, shall also be furnished with all reasonable promptitude to the proper authorities having jurisdiction to try the offence.

ARTICLE II.

Each of the High Contracting Parties further agrees that no person or vessel shall be permitted to use any of its ports or harbours or any part of its territory for any purposes whatsoever connected with the operations of pelagic sealing in the waters within the protected area mentioned in Article I.

ARTICLE III.

Each of the High Contracting Parties further agrees that no sealskins taken in the waters of the North Pacific Ocean within the protected area mentioned in Article I, and no sealskins identified as the species known as *Callorhinus alascanus, Callorhinus ursinus,* and *Callorhinus kurilensis,* and belonging to the American, Russian or Japanese herds, except such as are taken under the authority of the respective Powers to which the breeding grounds of such herds belong and have been officially marked and certified as having been so taken, shall be permitted to be imported or brought into the territory of any of the Parties to this Convention.

ARTICLE IV.

It is further agreed that the provisions of this Convention shall not apply to Indians, Ainos, Aleuts, or other aborigines dwelling on the coast of the waters mentioned in Article I, who carry on pelagic sealing in canoes not transported by or used in connection with other vessels, and propelled entirely by oars, paddles, or sails, and manned by not more than five persons each, in the way hitherto practised and without the use of firearms; provided that such aborigines are not in the employment of other persons, or under contract to deliver the skins to any person.

ARTICLE V.

Each of the High Contracting Parties agrees that it will not permit its citizens or subjects or their vessels to kill, capture or pursue beyond the distance of three miles from the shore line of its territories sea otters in any part of the waters mentioned in Article I of this Convention.

ARTICLE VI.

Each of the High Contracting Parties agrees to enact and enforce such legislation as may be necessary to make effective the foregoing provisions with appropriate penalties for violations thereof.

ARTICLE VII.

It is agreed on the part of the United States, Japan, and Russia that each respectively will maintain a guard or patrol in the waters frequented by the seal herd in the protection of which it is especially interested, so far as may be necessary for the enforcement of the foregoing provisions.

ARTICLE VIII.

All of the High Contracting Parties agree to co-operate with each other in taking such measures as may be appropriate and available for the purpose of preventing pelagic sealing in the prohibited area mentioned in Article I.

ARTICLE IX.

The term pelagic sealing is hereby defined for the purposes of this Convention as meaning the killing, capturing or pursuing in any manner whatsoever of fur seals at sea.

ARTICLE X.

The United States agrees that of the total number of sealskins taken annually under the authority of the United States upon the Pribilof Islands, or any other islands or shores of the waters mentioned in Article I subject to the jurisdiction of the United States to which any seal herds hereafter resort, there shall be delivered at the Pribilof Islands at the end of each season, fifteen per cent (15 per cent) gross in number and value thereof to an authorized agent of the Canadian Government, and fifteen per cent (15 per cent) gross in number and value thereof to an authorized agent of the Japanese Government; provided, however, that nothing herein contained shall restrict the right of the United States at any time and from time to time to suspend altogether the taking of sealskins on such islands or shores subject to its jurisdiction, and to impose such restrictions and regulations upon the total number of skins to be taken in any season and the manner and times and places of taking them, as may seem necessary to protect and preserve the seal herd or to increase its number.

ARTICLE XI.

The United States further agrees to pay the sum of two hundred thousand dollars ($200,000) to Great Britain and the sum of two hundred thousand dollars ($200,000) to Japan when this Convention goes into effect, as an advance payment in each case in lieu of such number of fur-seal skins to which Great Britain and Japan respectively would be entitled under the provisions of this Convention, as would be equivalent in each case to two hundred thousand dollars ($200,000) reckoned at their market value at London at the date of their delivery before dressing and curing and less cost of transportation from the Pribilof Islands, such market value in case of dispute to be determined by an umpire to be agreed upon by the United States and Great Britain, or by the United States and Japan, as the case may be, which skins shall be retained by the United States in satisfaction of such payments.

The United States further agrees that the British and Japanese share respectively of the sealskins taken from the American herd under the terms of this Convention, shall be not less than one thousand (1,000) each in any year, even if such number is more than fifteen per cent (15 per cent) of the number to which the authorized killing is restricted in such year, unless the killing of seals in such year or years shall have been absolutely prohibited by the United States for all purposes except to supply food, clothing, and boat skins for the natives on the islands, in which case the United States agrees to pay to Great Britain and to Japan each the sum of ten thousand dollars ($10,000) annually in lieu of any share of skins during the years when no killing is allowed; and Great Britain agrees, and Japan agrees, that after deducting the skins of their respective shares, which are to be retained by the United States as above provided to reimburse itself for the advance payment aforesaid, the United States shall be entitled to reimburse itself for any annual payments made as herein required, by retaining an additional number of sealskins from the British and Japanese shares respectively over and above the specified minimum allowance of one thousand (1,000) skins in any subsequent year or years when killing is again resumed, until the whole number of skins retained shall equal, reckoned at their market value determined as above provided for, the entire amount so paid, with interest at the rate of four per cent (4 per cent) per annum.

If, however, the total number of seals frequenting the United States islands in any year falls below one hundred thousand (100,000), enumerated by official count, then all killing, excepting the inconsiderable supply necessary for the support of the natives as above noted, may be suspended without allowance of skins or payment of money equivalent until the number of such seals again exceeds one hundred thousand (100,000), enumerated in like manner.

ARTICLE XII.

It is agreed on the part of Russia that of the total number of sealskins taken annually upon the Commander Islands, or any other island or shores of the waters defined in Article I subject to the jurisdiction of Russia to which any seal herds hereafter resort, there shall be delivered at the Commander Islands at the end of each season fifteen per cent (15 per cent) gross in number and value thereof to an authorized agent of the Canadian Government, and fifteen per cent (15 per cent) gross in number and value thereof to an authorized agent of the Japanese Government; provided, however, that nothing herein contained shall restrict the right of Russia at any time and from time to time during the first five years of the term of this Convention to suspend altogether the taking of sealskins on such islands or shores subject to its jurisdiction, and to impose during the term of this Convention such restrictions and regulations upon the total number of skins to be taken in any season, and the manner and times and places of taking them as may seem necessary to preserve and protect the Russian seal herd, or to increase its number; but it is agreed, nevertheless, on the part of Russia that during the last ten years of the term of this Convention not less than five per cent (5 per cent) of the total number of seals on the Russian rookeries and hauling grounds will be killed annually, provided that said five per cent (5 per cent) does not exceed eight-five per cent (85 per cent) of the three-year-old male seals hauling in such year.

If, however, the total number of seals frequenting the Russian islands in any year falls below eighteen thousand (18,000) enumerated by official count, then the allowance of skins mentioned above and all killing of seals except such as may be necessary for the support of the natives on the islands may be suspended until the number of such seals again exceeds eighteen thousand (18,000) enumerated in like manner.

ARTICLE XIII.

It is agreed on the part of Japan that of the total number of sealskins taken annually upon Robben Island, or any other islands or shores of the waters defined in Article I subject to the jurisdiction of Japan to which any seal herds hereafter resort, there shall be delivered at Robben Island at the end of each season ten per cent (10 per cent) gross in number and value thereof to an authorized agent of the United States Government, ten per cent (10 per cent) gross in number and value thereof to an authorized agent of the Canadian Government, and ten per cent (10 per cent) gross in number and value thereof to an authorized agent of the Russian Government; provided, however, that nothing herein contained shall restrict the right of Japan at any time and from time to time during the first five years of the term of this Convention to suspend altogether the taking of sealskins on such islands or shores subject to its jurisdiction, and to impose during the term of this Convention such restrictions and regulations upon the total number of skins to be taken in any season, and the manner and times and places of taking them as may seem necessary to preserve and protect the Japanese herd, or to increase its number; but it is agreed, nevertheless, on the part of Japan that during the last ten years of the term of this Convention not less than five per cent (5 per cent) of the total number of seals on the Japanese rookeries and hauling grounds will be killed annually, provided that said five per cent (5 per cent) does not exceed eighty-five per cent (85 per cent) of the three-year-old male seals hauling in such year.

If, however, the total number of seals frequenting the Japanese islands in any year falls below six thousand five hundred (6,500) enumerated by official count, then the allowance of skins mentioned above and all killing of seals except such as may be necessary for the support of the natives on the islands may be suspended until the number of such seals again exceeds six thousand five hundred (6,500) enumerated in like manner.

ARTICLE XIV.

It is agreed on the part of Great Britain that in case any seal herd hereafter resorts to any islands or shores of the waters defined in Article I subject to the jurisdiction of Great Britain, there shall be delivered at the end of each season during the term of this Convention ten per cent (10 per cent) gross in number and value of the total number of sealskins annually taken from such herd to an authorized agent of the United States Government, ten per cent (10 per cent) gross in number and value of the total number of seal-skins annually taken from such herd to an authorized agent of the Japanese Government, and ten per cent (10 per cent) gross in number and value of the total number of sealskins annually taken from such herd to an authorized agent of the Russian Government.

ARTICLE XV.

It is further agreed between the United States and Great Britain that the provisions of this Convention shall supersede, in so far as they are inconsistent therewith or in duplication thereof, the provisions of the treaty relating to the fur seals, entered into between the United States and Great Britain on the 7th day of February, 1911.

ARTICLE XVI.

This Convention shall go into effect upon the 15th day of December, 1911, and shall continue in force for a period of fifteen (15) years from that date, and thereafter until terminated by twelve (12) months' written notice given by one or more of the Parties to all of the others, which notice may be given at the expiration of fourteen years or at any time afterwards, and it is agreed that at any time prior to the termination of this Convention, upon the request of any one of the High Contracting Parties, a conference shall be held forthwith between representatives of all the Parties hereto, to consider and if possible agree upon a further extension of this Convention with such additions and modifications, if any, as may be found desirable.

ARTICLE XVII.

This Convention shall be ratified by the President of the United States, by and with the advice and consent of the Senate thereof, by His Britannic Majesty, by His Majesty the Emperor of Japan, and by His Majesty the Emperor of all the Russias; and ratifications shall be exchanged at Washington as soon as practicable.

In faith whereof, the respective Plenipotentiaries have signed this Convention in quadruplicate and have hereunto affixed their seals.

Done at Washington the seventh day of July, in the year one thousand nine hundred and eleven.

CHARLES NAGEL, [L.S.]

CHANDLER P. ANDERSON, [L.S.]

JAMES BRYCE, [L.S.]

JOSEPH POPE, [L.S.]

Y. UCHIDA, [L.S.]

H. DAUKE, [L.S.]

P. BOTKINE. [L.S.]

NOLDE [L.S.]

University of Toronto
Library

DO NOT
REMOVE
THE
CARD
FROM
THIS
POCKET

Acme Library Card Pocket
Under Pat. "Ref. Index File"
Made by LIBRARY BUREAU